

SUNDAYS RIVER VALLEY MUNICIPALITY

DRAFT IDP 2015/2016



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CHAPTER 1:

EXECUTIVE SUMMARY

(i) MAYORS FOREWORD

As we are about to commit resources, time and our energies in a new financial year, it is prudent to reflect on some of the challenges and successes we bring into the year 2015/2016. Sundays River Valley is still home to large amounts of citrus production that assist this region, the Eastern Cape Province and the country in revenue. Closer to home, citrus production makes available thousands of jobs that in their absence the large numbers of people in the Valley and neighboring towns would be hamstrung.

In this financial period I have urged all the councilors and the management of the Municipality to work at their level best to make this Municipality the best it can be. We are nonetheless not disillusioned by the challenges we face. We have been at the receiving end of a brutal and financially costly protest that has left our buildings to ruin. This has been a most unfortunate event that we condemn in the strongest way possible. We cannot take for granted our people and the frustrations they have, in the same breath we cannot pretend that the destruction of Municipal buildings is the best way or even the only way to deal with such frustrations. As the leadership of the Municipality we have to work harder to open the lines of communication, to strengthen the avenues of accountability via the ward committee system and the community development worker route.

We are still plagued by the appalling conditions of our roads and the quality of drinking water in areas such as Glencorner, Kleinpoort, Nomathamsanqa and Enon and Bersheba. We will work tirelessly with sector departments to bring about change in these areas. The plight of our people is known to us.

Now is the time to reconnect with the people of the Sundays River Valley and to recommit our energies into bringing about a positive change into their lives. Nothing is impossible if we work together, pursuing a common goal, coming from all backgrounds and political affiliations.

I thank you

Mayor

ZS Lose

(ii) MESSAGE FROM THE MUNICIPAL MANAGER

The administration of the Municipality is primarily concerned with the efficient provision of basic services as per local government's constitutional mandate. This can be achieved by a capable and competent municipal workforce. As such we have filled all section 56 posts even though we had struggled to fill the position of Chief Financial Officer, which we eventually did fill by the later end of 2013/2014.

We are still faced with a challenge of filling critical posts though we endeavor to do this within reasonable. I can gladly say we have competent people in key positions. We are focusing all our energies on improving our performance in critical areas as highlighted by the Auditor General. We are also keeping a keen eye on our spending on grants as well as increasing our revenue. The secret to a well-functioning municipality is regular and constant provision of support to lower level employees by management – this allows accountability to flow without complication both internally and externally.

This year we will endeavor to bring the Municipality closer to the people. This Municipality will prioritize basic service provision; water and roads will be our primary focus. We will not neglect local economic development – strategic interventions that will enable our local economy to flourish will be enhanced. We already have projects in the pipeline that will allow make a significant impact in the lives of our people.

I am alive to the challenges we face as a small Municipality, they require resolve and dedication from the political leadership and from the administrative component. We will work tirelessly to bring about change in this Municipality.

I thank you

Municipal Manager

LMR Ngoqo

1.1. INTRODUCTION

Sundays River Valley Municipality (SRVM) Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning, budgeting, management and decision making processes in the municipality. It is informed by the Municipal Systems Act 2000 (Act No 32 of 2000) which stipulates each elected council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which –

- a) Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- b) Aligns the resources and capacity of the municipality with the implementation of the plan;
- c) Forms the policy framework and general basis on which annual budgets must be based;
- d) Complies with the provisions of this Chapter; and
- e) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The SRVM's IDP is also guided by the Constitution, which gives specific powers and responsibilities to local government. The municipality is responsible for providing roads, Electricity (in certain areas), water for household use, sewage and sanitation, storm water systems, refuse removal, fire fighting services, decisions around land use, municipal roads, licensing for street trading, libraries and other services. Lastly, the IDP is informed by national and provincial government priorities, emerging trends and other related issues that provide a framework in which SRVM can ensure developmental local government.

1.2. LEGISLATIVE REQUIREMENTS OF THE IDP

The formulation of the IDP must be guided by various pieces of legislation; amongst others are the following:

The Integrated Development Planning process originates in the Constitution of the Republic of

South Africa (Act 108 of 1996), which enjoins local government to:

- Provide democratic and accountable government to all communities;
- Ensure the provision of services to communities in a sustainable manner;
- Promote social and economic development;
- Promote a safe and healthy environment; and
- Encourage the involvement of communities and community organisations in matters of local government.

Chapter 5, Section 26 of the MSA indicates the core components of an IDP and that such an IDP must reflect the following:

- The municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs.
- An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services.
- The council's development priorities and objectives for its elected term, including its local economic development and internal transformation needs.
- The council's development strategies which must be aligned with any national and provincial sectoral plans and planning requirements that are binding on the municipality in terms of legislation.
- A spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality.
- The council's operational strategies.
- Applicable disaster management plans
- A financial plan, which must include a budget projection for at least the next three years.
- The key performance indicators and performance targets determined in terms of Section 41 of the MSA.

The Municipal Planning and Performance Management Regulations (of 2001) set out further requirements for an IDP:

- An institutional framework is required for implementation of the IDP and to address the municipality's internal transformation;
- Investment initiatives;
- Development initiatives including infrastructure, physical, social and institutional development; and
- All known projects, plans and programmes to be implemented within the municipality by any organ of state.

1.3. THE 2015/16 IDP REVIEW PROCESS

The Municipal Systems Act also provides for the annual revision of a municipality's IDP, to ensure that it remains relevant to its specific operating environment including political, socioeconomic or other changes that may occur. This annual review also enables SRVM to update its IDP, based on its overall performance.

The following process was followed during the development of the 2015/16 IDP:

Preparation process

The IDP process plan was developed in August 2014 in line with district framework and incorporated within the Finance: Budget Preparation Timetable: 2015/2016 that was adopted by Council on the 28th of August 2014.

Salient aspects of the adopted process plan are reflected below

Deliverable /Activity	Responsibility	August				September				October			
		1	2	3	4	1	2	3	4	1	2	3	4
Development of IDP Framework /Process Plan/Budget schedule	IDP Unit/ Cogta EC (Section 31 of MSA)												
Tabling of IDP Framework and process plan/Budget schedule to Council for adoption 28 Aug 2014	Mayor												
Review of performance report by internal audit unit.	Internal audit unit												
Submission of annual performance report with AFS 29 Aug 2014	IDP and Finance												
Submit adopted Process Plan and Council Resolution to EC-DCOGTA	IDP Unit												
Launch and advertisement of the IDP review process	IDP Unit												
SRVM IDP Steering Committee Meeting													
IDP rep forum meeting with Cacadu District Municipality 18 Sept 2014													
Consolidation of quarterly POEs for review by Internal audit	IDP/PMS and Internal												
First Quarter Performance Report	IDP/PMS												
Review of annual	MPAC												

Deliverable /Activity	Responsibility	August				September				October			
		1	2	3	4	1	2	3	4	1	2	3	4
performance by MPAC 19 Sept 2014										1			
IGR forum meeting	IDP Unit & Mayor												
Community Based Planning roll-out in eight (8) wards	IDP Unit and External Stakeholders										1	2	3
Situational analysis – municipal wide analysis	Planning Unit /IDP Task team										1	2	3
SRVM Consultation with CDM and progress reporting 14 Oct 2014	IDP Unit and CDM planning unit										1	2	3
Consultation with District IDP Coordinators 30 Oct 2014	IDP Unit												1
Consideration of MEC comments on the IDP	IDP Task Team									1	2	3	
New Operating Medium Term expenditure focus 2013/14	Provide HOD's with baseline for new operating Medium Term Expenditure focus										1	2	3
Budget Input Forms	Prepare budget documents and input forms										1	2	3

Deliverable /Activity	Responsibility	November				December				January			
		1	2	3	4	1	2	3	4	1	2	3	4
IDP/Budget Steering Committee meeting to confirm priorities	IDP Steering Committee												
Review of objectives and strategies	IDP Unit / IDP Task Team												
Development and confirmation of IDP strategies	IDP Unit												
Compile Draft projects													
Consultation with Cacadu District Local Municipality on Draft projects 27 Nov 2014	Planning Unit												
Confirmation of existing Projects and identification of new projects	Ward committees, IDP Unit												
Submission of projects to Finance department	Finance and IDP Unit												
Budget Committee Meeting	CFO and IDP Unit												
Consolidation of POEs for quarterly assessments	Section 56 managers												
Drafting of second quarter performance	IDP/PMS												

Deliverable /Activity	Responsibility	November				December				January			
		1	2	3	4	1	2	3	4	1	2	3	4
reports							2						
Reviewed tariffs and charges	CFO											3	4
Adjustment Budget	CFO											3	4
Consultation with CDM 27 Jan 2015	CDM planning unit and SRVM IDP Unit												3
Annual Report tabled to Council 30 Jan 2015	Mayor										3		4

Action plan continued...

Deliverable /Activity	Responsibility	November				December				January			
		1	2	3	4	1	2	3	4	1	2	3	4
IDP/Budget Steering Committee meeting to confirm priorities	IDP Steering Committee	1											
Review of objectives and strategies	IDP Unit / IDP Task Team		2										
Development and confirmation of IDP strategies	IDP Unit		2										
Compile Draft projects				2									
Consultation with Cacadu District Local Municipality on Draft projects 27 Nov 2014	Planning Unit												
Confirmation of existing Projects and identification of new projects	Ward committees, IDP Unit												
Submission of projects to	Finance and IDP Unit			2		2							

Deliverable /Activity	Responsibility	November				December				January			
		1	2	3	4	1	2	3	4	1	2	3	4
Finance department					■								
Budget Committee Meeting	CFO and IDP Unit				■	■							
Consolidation of POEs for quarterly assessments	Section 56 managers							■	■				
Drafting of second quarter performance reports	IDP/PMS							■	■				
Reviewed tariffs and charges	CFO										■	■	
Adjustment Budget	CFO										■	■	
Consultation with CDM 27 Jan 2015	CDM planning unit and SRVM IDP Unit										■	■	
Annual Report tabled to Council 30 Jan 2015	Mayor										■	■	

Deliverable /Activity	Responsibility	April				May				June			
		1	2	3	4	1	2	3	4	1	2	3	4
Refinement of Draft IDP/Budget and alignment of budget with sector depts	IDP Unit/IDP Task Team	■	■	■	■								
Stakeholder consultation on IDP & Budget	Mayor and all councillors		■	■	■								
IGR forum meeting 24 April 2015						■							
Council approves IDP and Budget 29 May 2014	Council								■				
Publication of approved	Planning Unit									■	■		

Deliverable /Activity	Responsibility	April				May				June			
		1	2	3	4	1	2	3	4	1	2	3	4
IDP/Budget on the website and local newspaper										1			
Consolidation of POEs for Annual Performance Report	Section Managers 56												1

Analysis process

The analysis phase involved the performance assessment of 2013-14 IDP, the municipal level of development and service delivery backlogs. Key strategic documents such as the Service Delivery and Budget Implementation Plan (SDBIP) where particular quarters of 2014/2015 were looked at, Mid-year performance 2014/2015, Budget and Annual Report were used to assess the performance of the municipality to get an overall understanding of the developmental status quo.

Strategy phase

A mini departmental strategic meeting was held in January 2015 to refine and confirm the developmental trajectory of the Municipality taking into account the performance as it had been stated in strategic documents. The strategic phase also involved meetings with the District Municipality (and other LMs in the District) in an effort of synchronising planning and strategic goals. A follow up meeting after the upcoming community engagements will seek to confirm the municipal strategic objectives and priorities for 2015/2016 IDP Review based on the community needs. As some engagements with the community have already occurred the priorities will be outlined below.

Strategically, our in-house meeting was attended by Directors, section heads, and middle management personnel. During the meeting Directors presented the municipalities mid-year performance for 2014/15 and re-confirmed the municipality's IDP development priorities, namely water supply, road infrastructure development and storm water, electricity supply and management, integrated human settlement, good governance and public participation, sanitation/sewerage, community development, rural development, economic development, waste management and accountability relating to financial management and viability. It was further agreed that the municipality need to come up with the long term strategy to guide development.

Project phase

During the meeting on the Project phase Directors will identify projects that must be prioritised in the 2015/16 IDP informed by the community priorities, long term sustainable development of the municipality and financial projections.

Integration phase

A meeting is scheduled to be held in April 2015 with sector departments, para-statals and the private sector in order to compile all projects and programmes that they will implement within the municipality for the 2015/16 financial year.

All sector plans/ policies that required a review were reviewed amongst others were the PMS Framework, the SDF, WSDP, etc.

Approval phase

The draft IDP will be served in Council in May 2015 for adoption. Preceding this will be the planned community engagements, the draft being taken to Council for noting, and thereafter being made public for further elicitation of comments from all affected parties. Furthermore SRVM has scheduled meetings with stakeholders that will be in the planned Rep forum which will enrich this process.

Budgeting

The IDP can be regarded as a tool that enables the municipality to align its financial and institutional resources based on agreed policy objectives and programmes. As a result the municipal IDP and budget are inevitably linked to one another, which is something that has been emphasized by legislation.

Local Government Municipal Finance Management Act, 56 of 2003, section 21 (1) stipulates that the Mayor of a municipality must co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget related policies are mutually consistent and credible; at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget; the annual review of—

- (aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and
- (bb) the budget-related policies;

the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).

The Local Government Municipal Planning and Performance Management Regulations, 2001 Section 6 stipulates that:

Giving effect to integrated development plan

A municipality's integrated development plan must inform the municipality's annual budget that must be based on the development priorities and objectives referred to in section 26(c) of the Act and the performance targets set by the municipality in terms of regulation I2; and be used to prepare action plans for the implementation of strategies identified by the municipality.

The draft budget must be tabled and finally submitted to Council for adoption by May 2015.

Implementation and Monitoring of Performance

The implementation and monitoring of the IDP is done continuously throughout the year. This phase represents the implementation and monitoring of proposals and projects contained in the IDP. The municipality develops organizational performance management plan which reflects

Key Performance Indicators (KPI's) and targets linked to the Integrated Development Plan. This plan will be used as a monitoring framework towards the implementation of the IDP and the **attached budget thereof**.

This phase comprises meetings/negotiations with provincial departments in order to monitor progress on provincially/nationally funded projects and meetings on funding, powers, duties and functions etc as contemplated in the IDP document. During this phase the situation regarding the development and review of sectoral strategic plans will also be monitored. The implementation and monitoring phase is a continuous process which commenced July 2014 and continues right through to June 2015.

1.4 IDP INSTITUTIONAL ARRANGEMENTS

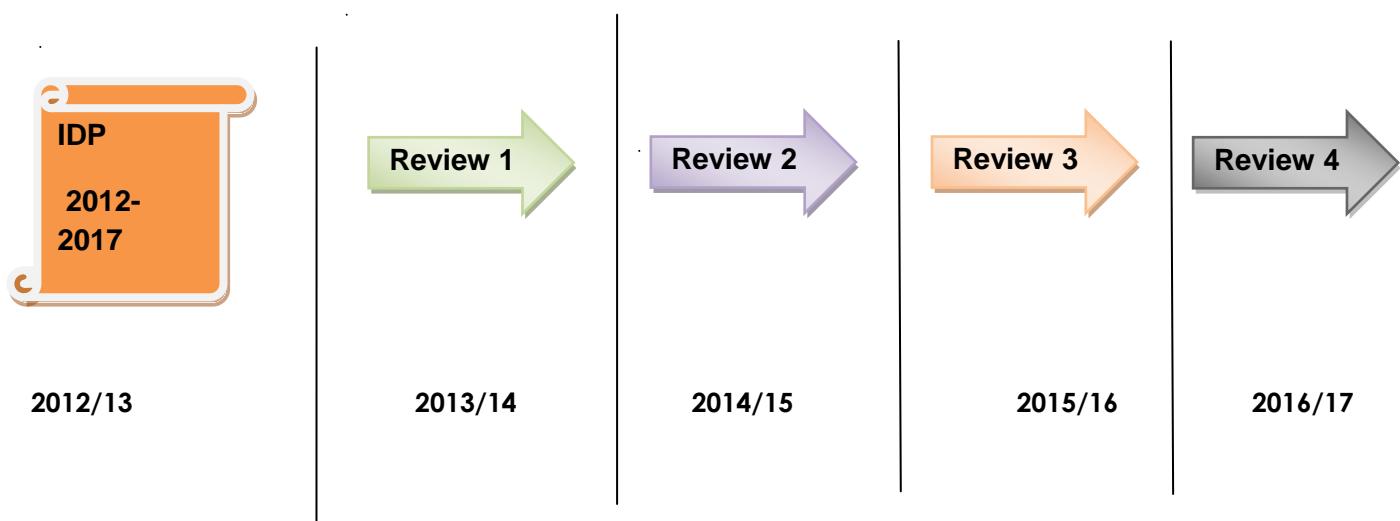
It is critical that the various IDP stakeholders are not only consulted but also fully involved in the IDP process. To achieve this, the SRVM has approved the specific institutional arrangements as illustrated in the table below.

Council	Approve the Process Plan and the IDP.
Mayor	Decide on the Process Plan and to make firm recommendations to Council. Chair meetings of IDP Forum.
Municipal manager	<p>The Municipal Manager is responsible for managing, monitoring, and implementing the overall IDP process, assisted by the Strategic Support Manager, IDP Assistant Manager, the IDP Steering committee, and officials. The terms of reference include:</p> <ul style="list-style-type: none">• Preparing the process plan.• Undertaking the overall management and coordination of the planning process by:• Nominating persons in charge of participation and involvement of all different role-players.• Ensuring that the time frames are being adhered to.• Ensuring that the planning process is horizontally and vertically aligned and complies with national and provincial requirements.• Ensuring that conditions for participation are provided.• Proper documentation of the results of the planning of the IDP document.

Directors	<ul style="list-style-type: none"> • Providing relevant technical, sector and financial information for analysis for determining priority issues. • Contributing technical expertise in the consideration and finalization of strategies and identification of projects. • Providing operational and capital budgetary information. • Being responsible for the preparation of project proposals, the integration of projects and sector programmes. • Being responsible for preparing amendments to the draft IDP for submission to the municipal council for approval and the MEC for local government for alignment.
IDP Steering Committee	<p>The IDP Steering Committee of SRVM assisted the Municipal Manager in guiding the IDP process. It comprised the following members:</p> <ul style="list-style-type: none"> • Municipal manager and Directors • IDP Manager <p>The terms of reference of the IDP Steering Committee included the following:</p> <ul style="list-style-type: none"> • Providing terms of reference for the various planning activities. • Process, and summarize documents and outputs. • Make content recommendations. • Define the terms of reference for the IDP Representative Forum. • Inform the public about the establishment of the IDP Representative Forum. • Identify stakeholders to be part of the Forum in such a way that the public is well represented.
IDP Rep Forum	<p>The IDP Representative Forum is chaired by the Executive Mayor as the organizational mechanism/platform for discussion, negotiation, and decision-making between stakeholders within the municipal area.</p> <p>The terms of reference for this structure included:</p> <ul style="list-style-type: none"> • Represent the interests of constituents in the IDP process. • Provide an organizational mechanism for discussion, negotiation and decision-making between the stakeholders and municipality. • Ensure communication between all the stakeholders' representatives. • Monitor the performance of the planning and implementation process.

1.5 ANNUAL REVIEW OF THE IDP

The Municipal Systems Act (Act 32 of 2000) requires municipalities in South Africa to review their IDP's on an annual basis in order to keep track and remain relevant to the ever changing needs and dynamics in communities. In relation to the illustration below of the evolution of IDP's over a 5 year period this process can be described as Review 3 of the IDP of the Sundays River Valley Municipality. The priorities and actions identified in this IDP review will inform the structure of the Sundays River Valley Municipality, the service delivery standards, all financial planning and budgeting as well as performance reporting by the municipality.



This third review of the IDP aims to give stock of what has been achieved thus far and the challenges we are currently faced with. It is important to always be honest and alive to the realities of the time, this will allow the Municipality to plan effectively and realistically. As has been the norm, this review must be read in conjunction and together **with** the previous years' reviews. Although we face challenges relating to resources, aging infrastructure and a turbulent political atmosphere we remain resolute in our aim to realise and fulfil our IDP objectives.

The purpose and objectives of the review is to:

- Reflect and report on the progress made in respect of the implementation of the 5 year IDP
- Evaluate the appropriateness of the strategies reflected in the 5 year plan and make the adjustments where necessary, especially where changing circumstances within the municipality or externally so demand
- Determine annual targets and action plans for the next financial year to keep track of the 5 year strategy
- Inform the annual budget of the municipality
- To re-affirm Council's strategic objectives and the medium term service delivery and development agenda
- To align the 5 year strategic plan with the longer term Integrated Strategic Development Framework (ISDF)
- To review the prioritisation of key programmes & projects in each ward through a comprehensive public participation process
- To ensure that all projects are directed to achieve the strategic objectives of Council
- To determine the impact of changing external and internal circumstances on the service delivery and development agenda of the municipality

- To address the recommendations reflected in the assessment letter from the MEC for Local Government in the Eastern Cape in respect of the previous IDP review

1.6 PROVISIONAL OUTCOMES OF THE IDP COMMUNITY CONSULTATION MEETINGS

In 2013/14 financial year SRVM engaged into an intensive community consultation that was done at a ward level in line with the community based planning approach. The municipality employed the community based planning approach to stimulate participatory governance by awarding community members a fair opportunity to deliberate on issues affecting them in their respective wards. Furthermore, this approach was implemented to inevitably include the local community in decision-making, planning and generally allowing them to play an active part in their own development.

To facilitate this community consultation process, a team consisting of Ward Councilors, Ward Committee Members, Community Development Workers and municipal officials in an effort of making local government account to the citizenry at large engaged with various communities of Sundays River Valley Municipality. Community engagements have not been to the scale and gravity required by the Constitution, as such further engagements are planned in the coming month to enrich the already existing information.

The municipality started community engagements on the 27th of February 2015 in Nomathamsanqa with a meeting of all ward representatives. This engagement was attended by the Mayor, Speaker of Council, ward and PR councillors and the management of the Municipality. A summary of the priorities that emerged is listed below.

Ward/Area	Issues raised
Paterson	<ul style="list-style-type: none"> • Illegal occupation of houses • Repairing of high mast lights • Slow progress in the construction of sportfields
Ward 7	<ul style="list-style-type: none"> • Lack of political leadership and visibility of political head and structures • Cemeteries not cleaned regularly • Available sportfield is on private land and local teams have to use such fields.
Kirkwood	<ul style="list-style-type: none"> • State of internal roads is appalling and presents a danger to pedestrians and motorists alike. • Water and sanitation is still a huge problem • Drain leakages go unattended for long periods • No report back to the community on shoddy work (on roads) by contractors appointed by the Municipality

Nomathamsanqa	<ul style="list-style-type: none"> Growing concern that sports and recreational programmes are only happening in Kirkwood. Water and sanitation is still a problem High mast lights are not working in Noluthando Street naming is needed
Valencia	<ul style="list-style-type: none"> Consistent supply of clean water is still a challenge Volunteers at the local library are not getting stipends
Bersheba	<ul style="list-style-type: none"> RDP houses have no water connection Supply of water is not constant The mobile clinic comes once a week but this is not constant as some weeks it does not come.

At the conclusion of the above all inclusive meeting, the political leadership of the Municipality together with the heads of the administration drew up a new programme to visit all wards individually to discern and confirm ward priorities from those that were captured on the 27th of February 2015 and those that were captured in the previous years' IDP/Budget consultation. Below is a reflection of the ward priorities from those engagements that took place. It is to be noted that the ward consultations are still ongoing and some wards are still to be visited.

17 March – Cllr Qusheka

Ward 5	2014/2015 ward priorities	2015/2016 ward priorities
	<ul style="list-style-type: none"> Building of RDP houses Upgrading and tarring of roads especially in Nomathamsanqa and Langbos Erection of high-mast lights Electrification of existing houses Housing rectification especially in the Ntakazilali area on top of the canal. Identification of land for the building of a shopping centre 	<ul style="list-style-type: none"> Building of houses Tarring of roads Electrification of houses Land for a shopping centre Visible policing Access to emergency services Cleaning of illegal dumping sites Timeos refuse collection and access to refuse bags Houses in Noluthando need access to water No graveyards Land for agricultural

	<ul style="list-style-type: none"> • Improvement in police patrols • Improvement in response time of ambulance services • Illegal dumping sites to be attended to • Refuse waste to be collected timeously to stop illegal dumping • Water condition is appalling and needs urgent attention • Sewage system in Noluthando area to be attended to promptly • Land for cemeteries and livestock • Open water canal adjacent Nomathamsanqa and Langbos • Hospital condition to be improved • Recreational youth programmes 	<ul style="list-style-type: none"> activities • Youth and empowerment programmes • Improvement in the conditions in the clinic • Community in need of a big sport centre and hall • No toilets in Duka, Mandela, Zwelitsha
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19 March 2015 – Cllr Snoek

Ward 8	2014/2015 ward priorities	2015/2016 ward priorities
Enon, Bersheba, Moreson and Greenfields etc	<ul style="list-style-type: none"> • Income generating project /Sustainable Employment opportunities • Improved Skills and Education • Upgrading housing infrastructure and eliminate informal settlement • Title deeds • Consistent supply and access to clean water • Improved sanitation infrastructure 	<ul style="list-style-type: none"> • People of Moreson want a playground, multi-purpose centre and a swimming pool as children are swimming in dirty water canals • Installation of geyzers • Fencing in the existing playground • Construction of a soccer field • Upgrade and cleaning of the

	<ul style="list-style-type: none"> • High mast lights / housing electrification • Clean and safe Environment (Big rubbish Bins recycling) or refuse removal twice a week • Eliminate illegal dumping • Control sewer overspill • Control vandalism • Control stock theft /general • Subsistence abuse • Community Centre (library, indoor gymnasium, career guidance, shopping centre 	<p>cemetery in Enon – employing a caretaker was highlighted.</p> <ul style="list-style-type: none"> • Lighting strength of high mast lights is weak • Mobile clinic comes once a week – at times it does not arrive. • Condition of roads is appalling • Toilets in the community hall are not working • In need of a site for a graveyard in Bersheba • Houses built and transferred to people without access to water • Fencing of the water canal • Better control system for the community hall, sportfield and graveyard • Empowerment for youth – especially in brickmaking • Area of greenfields is in need of RDP houses, clean water and electricity
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25 March 2015 – Cllr Simpiwe Rune

Ward 6	2014/2015 ward priorities	2015/2016 ward priorities
	<ul style="list-style-type: none"> • Building of RDP houses • Electrification of existing houses • Housing 	<ul style="list-style-type: none"> • Land is needed for settlement especially for people in the Molly Blackburn and

	<p>rectification especially in the Ntakazilali area on top of the canal.</p> <ul style="list-style-type: none"> • Identification of land for the building of a shopping centre • Improvement in police patrols • Improvement in response time of ambulance services • Illegal dumping sites to be attended to • Refuse waste to be collected timeously to stop illegal dumping • Water condition is appalling and needs urgent attention • Sewage system in Noluthando area to be attended to promptly • Land for cemeteries and livestock • Open water canal adjacent Nomathamsanqa and Langbos • Hospital condition to be improved • Recreational youth programmes • Erection of high-mast lights • Upgrading and tarring of roads especially in Nomathamsanqa and Langbos 	<p>Langbos area</p> <ul style="list-style-type: none"> • Rectification of existing RDP houses that are not in a good condition • Clean drinking water for human consumption • High mast lights • Land for cemeteries and livestock • Internal roads around Bukani to be graveled while they have not been tarred • Enclosure of water canal • Emergency services (fire and ambulances) brought closer to the people to increase response time • Construction of a playground for children
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Community engagements in ward 2 (Cllr Adams) and ward 1 (Cllr Kebe) should have taken place but have been rescheduled. Ward 2 was postponed on account of the small number of people present. The leadership of the Municipality thought it

imprudent to continue the engagement without a multitude of voices from the community and consequently has set a return date for the community engagement. In ward 1, the people of the ward adjourned the meeting as they are still waiting on the MEC to return and give them a response to the protest that was held in the previous year on the 23rd September 2015.

CHAPTER 2:

SITUATIONAL ANALYSIS

CHAPTER 2 SITUATIONAL ANALYSIS

In order to properly plan for the development of the SRVM, it is critical to understand the needs and status quo of the Sundays River Valley's population, its relevant demographics as well as the anticipated trends in development for the 2015/16 financial year.

2.1 DEMOGRAPHIC PROFILE

2.1.1 Introduction

The analysis section is the cornerstone of the IDP. It provides an assessment of the existing level of development in the municipality. This session analyses the internal and external environmental trends and provides reliable information that may have a potential impact on the attainment of municipality's mission and objectives. It focuses on the type of problems faced by the people of Sundays River Valley. The analysis considers people's perceptions of their problems, but also facts and figures. The analysis is structured according to the five (5) key performance areas which are premised by the demographic profile. The section is structured as follows:

- Demographic Profile
- Basic services and Infrastructure
- Local Economic Development
- Institutional Transformation and Organisational Development
- Good Governance and Public Participation
- Financial Viability and Management

In order to properly plan for the development of the SRVM, it is critical to understand the needs of the Sunday's River Valley population, its relevant demographics as well as the anticipated trends in development for the 2014/15 financial year.

2.1.2 Description of the municipal area

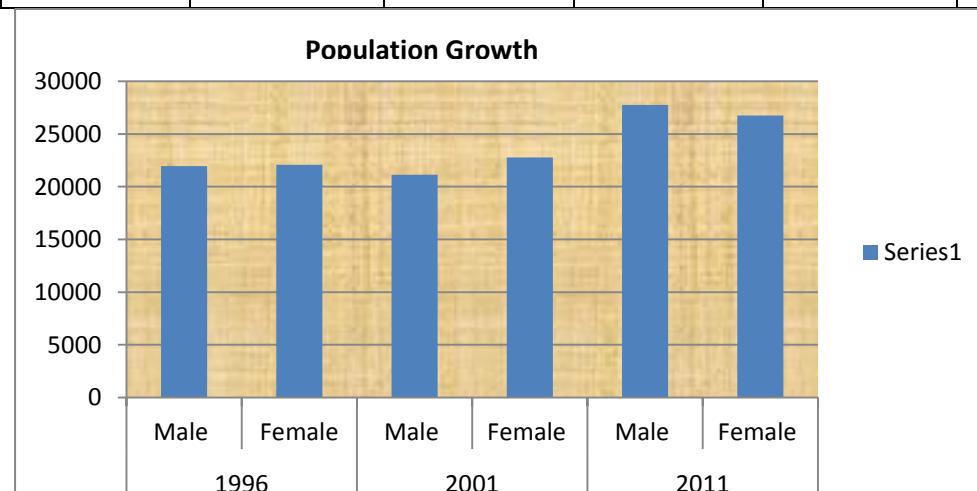
Sundays River Valley Municipality is in the Eastern Cape and is one of the nine local municipalities in the Cacadu District. It is a Category B municipality with a collective executive system combined with a ward participatory system established in terms of the Local Government Municipal Structures Act 117.

It is approximately 50km from Coega Industrial Zone in Nelson Mandela Bay Metro. The municipality can boast its ecotourism and agricultural potential. The Addo Elephant National Park and its citrus production are two important drivers in the Sundays River Valley Municipality. The valley is characterised by harsh climate conditions, with summer temperatures rising in excess of 40°C. Rainfall is spread over the year and is between 250-500mm per annum. The valley is characterised by wide, fertile flood plains and is associated with low-lying land and steep, less fertile soil. The area outside the Sundays River includes the Paterson area, the coastal belt, and the west of Alexandria.

2.1.3 Population Profile

Table 2: Distribution of population by Gender (Census 1996, 2001 & 2011)

1996			2001			2011		
Male	Female	Total	Male	Female	Total	Male	Female	Total
21949	22091	44040	21140	22772	43913	27761	26740	54503



According to Census 2011, the population of SRV was approximately 54 504 people of whom 72% are Black African, 21% Coloured and 6% White. Between the years of 1996 and 2001, the population showed a slight decrease of 0.29% (127 of the population). However during the years of 2001 and 2011, the population had increased by 19% (10590 of the population).

Table 3: Gender by Population group

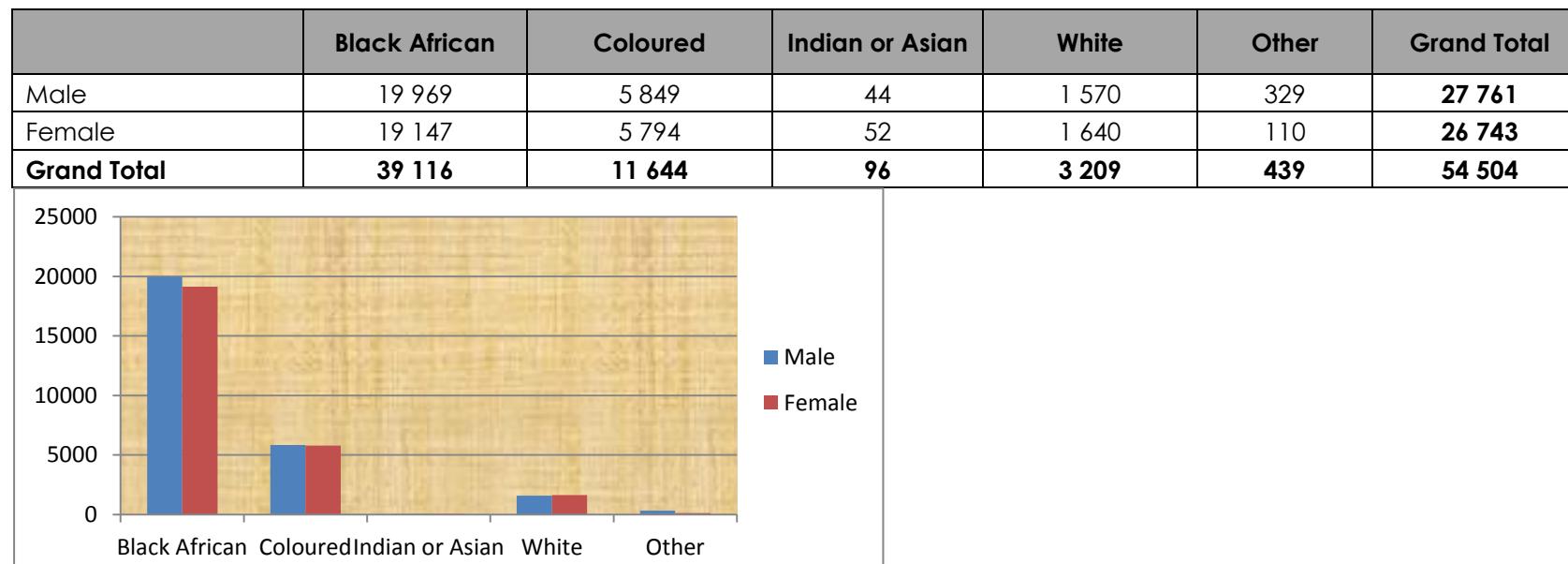
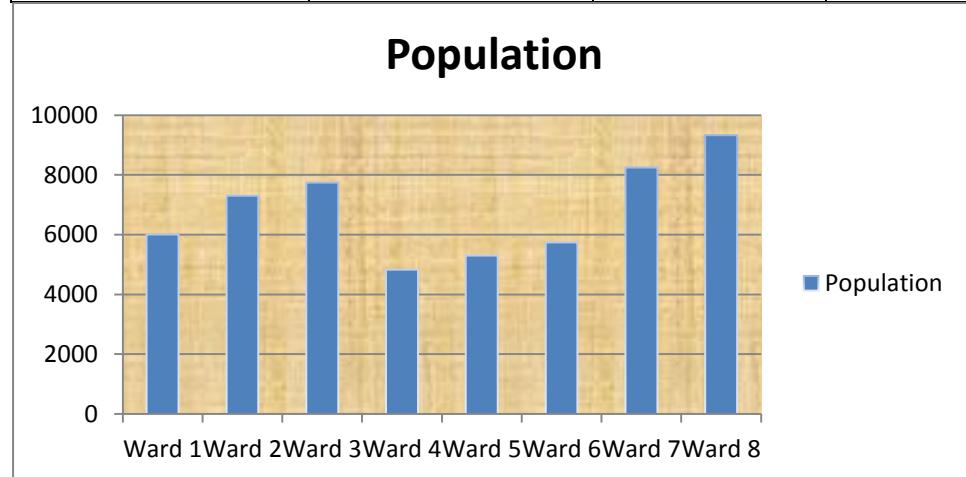
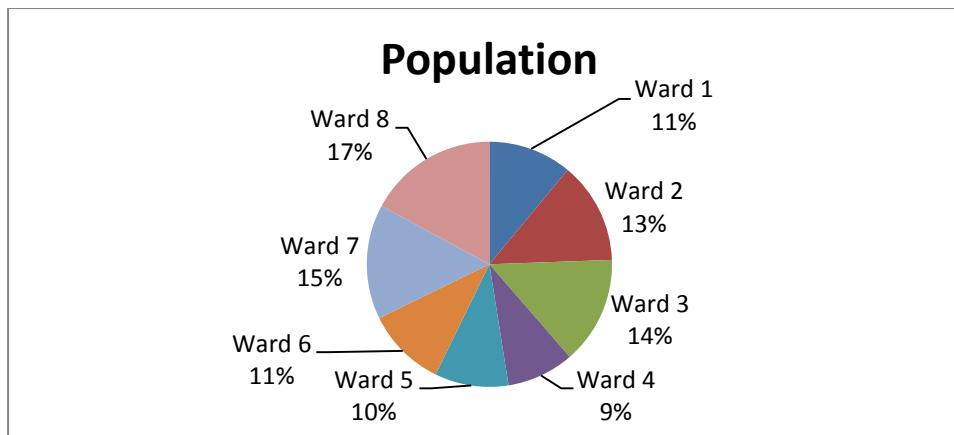


Table 4: Geography by Population group

	Black African	Coloured	Indian or Asian	White	Other	Grand Total
Ward 1	5 849	103	6	3	47	6 008

Ward 2	3 396	3 180	21	655	53	7 305
Ward 3	4 773	2 615	18	268	70	7 743
Ward 4	4 660	66	10	63	33	4 832
Ward 5	5 069	49	3	130	52	5 303
Ward 6	5 102	313	2	276	46	5 739
Ward 7	4 331	2 463	26	1 350	76	8 247
Ward 8	5 936	2 854	10	465	62	9 328
Grand Total	39 116	11 644	96	3 209	439	54 504





The above charts show Ward 8 as having the highest percentage of 17%, followed by Ward 7 which sits on 15% of the total population. The highest percentage of population in Ward 8 may be attributed to the influx of people during the season (citrus production). Ward 4 has the lowest population size of 9%.

Table 5: Age in completed years by Population group

Age Group	Black African	Coloured	Indian or Asian	White	Other	Grand Total
0 - 4	4 179	1 274	12	192	25	5 682
5 - 10	3 903	1 389	15	220	13	5 540
11 - 17	4 134	1 583	6	317	7	6 047
18 - 35	13 416	3 545	33	593	314	17 901
36 - 45	5 694	1 613	13	457	45	7 822
46 - 55	3 792	1 216	11	581	21	5 620
56 - 65	2 229	637	4	416	7	3 293
66 - 75	1 184	258	1	226	6	1 675
76 - 85	399	101	-	176	2	678

86 - 100	175	25	1	31	-	232
101 - 120	9	5	-	-	-	14
Grand Total	39 116	11 644	96	3 209	439	54 504

Age Structure

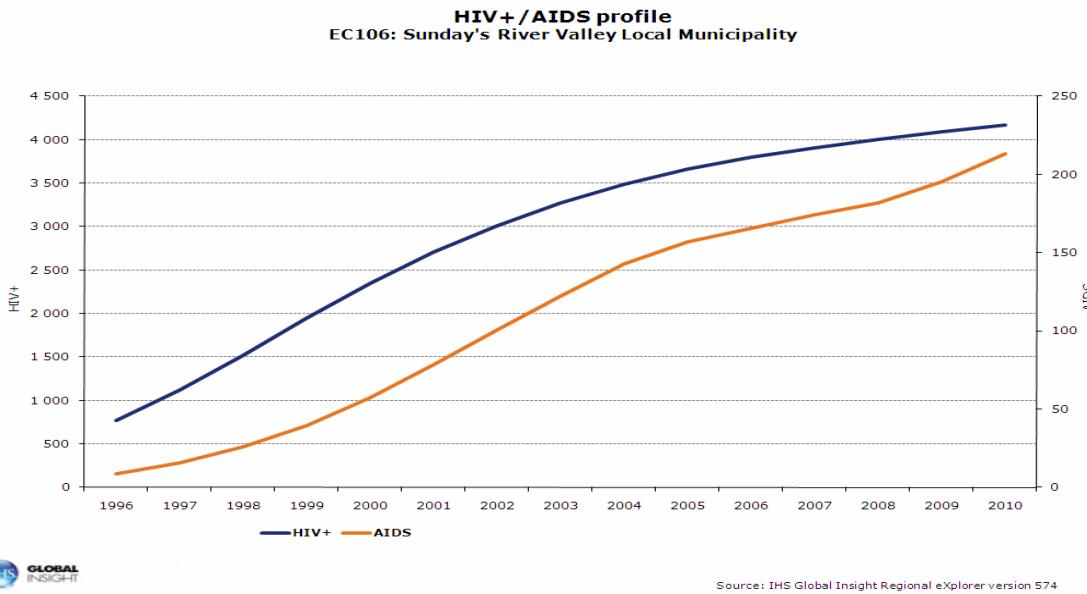
The age structure depicted below suggests that Sundays River Valley Municipality has a population is relatively youthful. The age structure mapped in the pyramid below is very similar to that of South Africa as a whole, but with certain notable exceptions:

- A relative decrease of males aged 40 to 65, possibly indicating out migration
- A relative increase of men and women aged 25-35, possibly as a result of relatively rapid population growth in the late 1980's and low levels of out migration
- A relative decrease of boys and girls aged 5-20, possibly indicating that they are being raised and educated in areas with better education opportunities.

The youthful population suggests a need for prioritization of skills development and employment creation initiatives for youth.

2.1.4 HIV/AIDS Profile

HIV/AIDS pandemic has an impact on labour supply, through increased mortality and morbidity. This is compounded by loss of skills in key sectors of the labour market. The long period of illness associated with AIDS reduces labour productivity. One review reported that the annual costs associated with sickness and reduced productivity as a result of HIV/AIDS. These costs reduce competitiveness and profits. Government incomes also decline, as tax revenues fall, and governments are pressured to increase their spending, to deal with the rising prevalence of AIDS, thereby creating the potential for fiscal crises

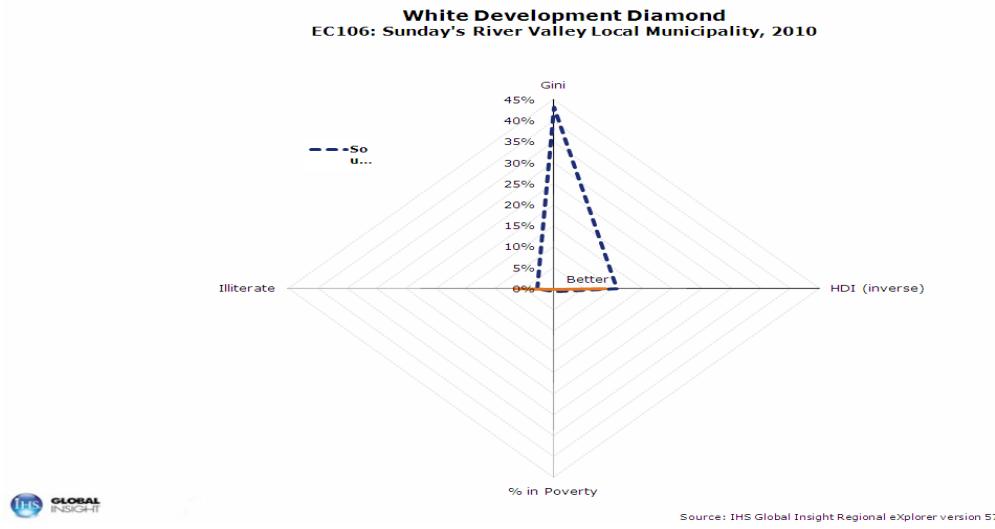


The profile above indicates that the epidemic is reaching a plateau, with some 4 200 people or 9% of the population infected with HIV and some 200-300 AIDS sufferers. The in-migration of job seekers during the citrus season may be viewed as one of the contributory factors for the spread of the virus. At the community based plan meeting held on the 3rd January 2012, ward committees expressed concern about the figure and opined that the cases may be more. They further revealed other prevalent sicknesses in their communities such as tuberculosis, high blood pressure and arthritis.

2.1.5. The Development Diamond

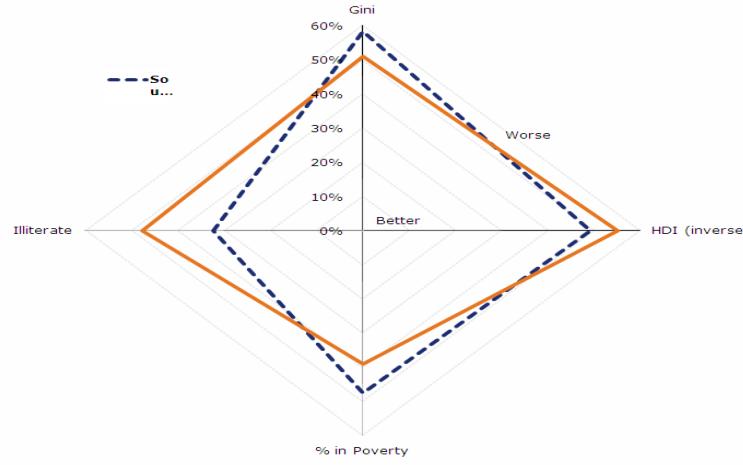
The Development Diamond measures the extent of inequality (Gini Coefficient), underdevelopment (the Human Development Index or HDI), Poverty and illiteracy. The Development Diamonds reflect the racially skewed ongoing effects of the Apartheid system that officially ended in 1994.

Whites experience almost no poverty, a high HDI, less than 5% illiteracy and relatively low inequality.



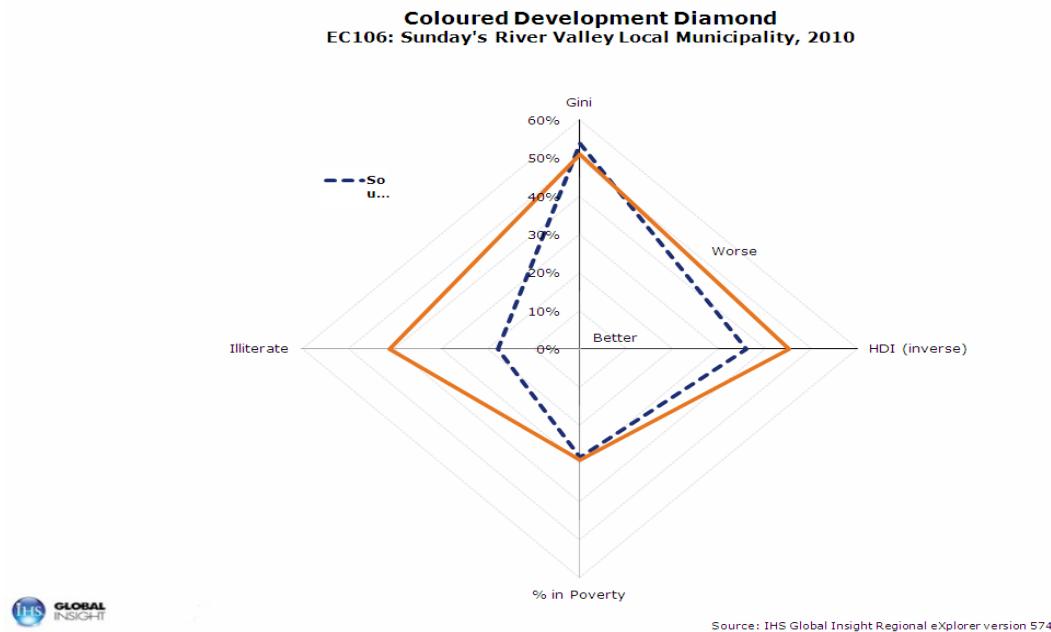
Africans experience high poverty (although lower than the national average), a low HDI, very high illiteracy and high inequality.

African Development Diamond
EC106: Sunday's River Valley Local Municipality, 2010



Source: IHS Global Insight Regional eXplorer version 574

Coloureds experience lower poverty and illiteracy, a higher HDI, less illiteracy and roughly the same level of inequality.



- In the SRVM, the number of African in poverty is equal to the national average of 40%.
- SRVM has more illiterate number of African and historically disadvantaged individuals (HDI) than the national average.
- The inequality levels (measured by the Gini Coefficient) are better in SRVM as compared to the national statistics.

2.2 INSTITUTIONAL DEVELOPMENT

- Council is fully constituted by 16 Councillors (12ANC,3DA & 1Independent);
- Audit Committee is established & functional
- MPAC is established and fully functional.
- Ward Committees established in all wards – whilst they are meeting according to council schedule but their functionality and effectiveness are questionable.
- Positions in Organogram 2014/15 = 229
 - Filled = 159 December 2014
 - Vacant = 70 December 2014
 -
- Staff turnover rate = exact number not available
- Some positions have Job descriptions and all posts have been graded.
- LM is composed of 4 Directorates excluding the Municipal Manager's Office, all Section 56 Manager's positions are filled and no vacancies reported at this level as at 31December 2014.
- The biggest challenge with using the manual document system is that it takes time, documents are easily lost and the safe keeping of such documents is always a risk.
- No By-laws were adopted in the current year.
- Information systems are disintegrated
- Not all Municipal policies are reviewed. Reviews occur annually when and where such is necessary

Governance

The institution has experienced a number of challenges, to name but a few these include:

- Public Participation programmes remain to be a challenge ,due to sessions not materialising.
- Local Labour Forum is established to harmonise relations with unions – Initially meeting could not materialised due to absence of employer component, until Council intervened.
- On account of the fire to our buildings we now use a Manual document management system.
- Archiving of information is affected by the damage of the Metrofiles system that the Municipality was using.
- A New system needs to be purchased to ensure compliance with the Act accordingly (We are starting from scratch with the compilation of documentation).

ITC

- ITC Policies were adopted in 2011.
- Website design is pending, based on promised support from Cogta.
- During burning of offices information was lost. However, back-up system saved VIP payroll, Pastel Financial system & Meter Readings.
- The challenge is to virtualise information back onto running of the system effectively and efficiently with the correct information for billing.
- New servers of the above systems got burnt and destroyed. This also includes the email server.

2.3. SERVICE DELIVERY: ROADS AND STORM WATER AND ENERGY

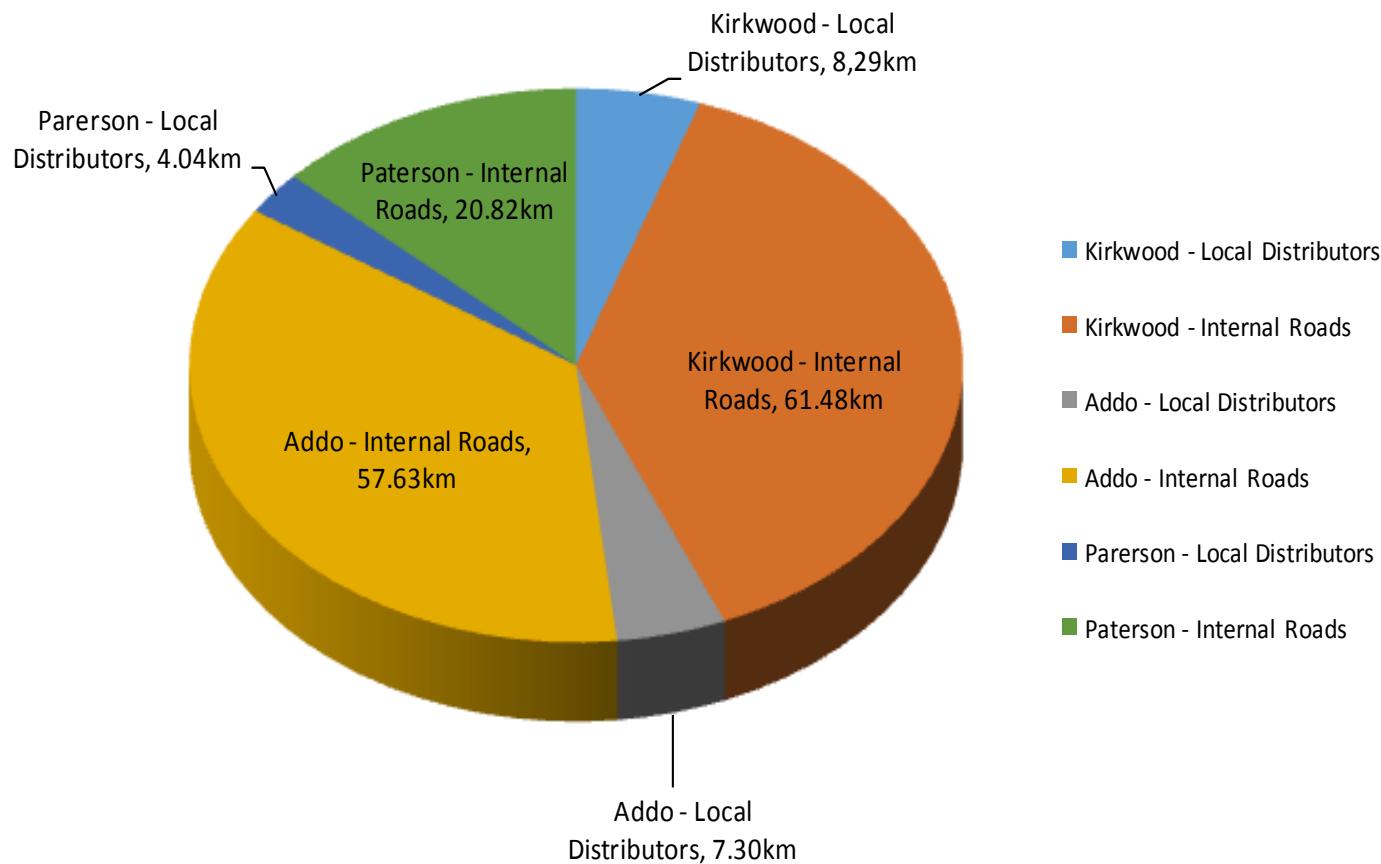
The Extent of Infrastructure Backlog [Overview]

MUNICIPAL COMPREHENSIVE INFRASTRUCTURE PLANS (CIPS) QUARTERLY REPORT				
Infrastructure Category	Total HH (Units)	Served HH (Units)	Backlog (Units)	Backlog (Costs R'000)
Water	11 529	11 310	219	48 000
Sanitation	11 529	10 284	1245	32 000
Electricity	11 529	10 952	577	32 000
Refuse Collection	11 529	11 408	121	8 000
Roads	11 529	11529	157km	761 000
Community Halls	11 529	11 529	4 halls	48 000
Sports Facilities	11 529	11 529	4 sportsfields	21 000
Comments: Challenges and Recommendation:				

ROADS

There is a big challenge of roads and storm-water in the SRV area with 137 km of road needed to be upgraded. This is planned in phases (over 10 years to be exact). Developmental strategies relating to the roads network involve the surfacing of gravel roads as well as the upgrade of bulk storm-water.

The current roads backlog is at 139.926 km at an estimated cost of R541,956,440.00



The funding required in order of magnitude is illustrated below;

Area	Length of Bulk Roads (m)	Length of Internal Roads (m)	TOTALS
Moses Mabhida	2,283.44	18,402.01	R 50 565 330.48
Emsengeni	2,091.96	9,073.97	R 28 473 555.19
Kirkwood Town	0	16,023.79	R 57 278 184.76
Aqua Park	1,458.09	3,336.43	R 13 331 030.75
Bersig	800.21	3,160.51	R 10 373 351.74
Enon	1,659.18	11,487.77	R 32 294 270.14
Langbos / Nomathamsanga	4,228.34	35,264.56	R 94 948 834.43
Addo	0	5,178.94	R 11 694 239.06
Valencia	3,071.07	17,182.98	R 51 988 566.19
Patterson	4,037.98	20,815.85	R 62 444 277.46
SUB TOTAL	19,630.27	139,926.81	R 413 391 640.21
ADD PROFESSIONAL FEES		14%	R 62 008 746
SUB TOTAL			R 475 400 386
ADD VAT @ 14%		14%	R 66 556 054
TOTAL PROGRAMME COST			R 541 956 440

Water, Storm-water and Sanitation

The extent of challenge in access to water is:

- Shortfall of 4,9ML Capacity of shortage of Portable Water
- Additional Storage of Raw Water Dams & Water Losses
- Ageing Infrastructure (Enon, Kleinpoort, Glencorner).

The cost estimate for water is:

- Kirkwood Bulk WTW is R24,172,515.83
- Surrounding Areas is R 34,755,034.83

At least 11 310 out of 11 529 households have access to water (98%). SRVM need to accelerate the implementation of RBIG Programme and lobby for funding.

Sanitation

At least 10 284 out of 11 529 households have access to waterborne sanitation services(89%). The extent of the challenge for sanitation include:

- Paterson Sewer Network
- Zuney VIP Toilets
- Aqua Park, Moses Mabida & Langbos blockages

One amongst the interventions required is to fast track the Kirkwood Bulk Water Initiative so that the sewer network can obtain self cleaning velocity and prevent blockages. The actions undertaken to date are:

- NURCHA has completed an assessment of the Paterson Bulk Infrastructure.
- DoHS have Allocated R35mil for the Bulk Infrastructure for Langbos and Molly Blackburn.

Electricity:

At least 10 952 out of 11 529 households have access to electricity (94.5%). The Municipalities area of jurisdiction is the following areas: Kirkwood, Bersig, Moses Mabida and Aqua Park for electrical infrastructures. The outlining areas are serviced by ESKOM. A fully costed master plan is in place and requires the following funding:

- Short term – R4,123,147
- Medium Term – R28,857,573
- Long term - R14,242,838

SRV is in the process of rolling out its street lighting project to avert among other things the increase of crime in dark areas. This project is however negatively influenced by cash flow problems.

Refuse removal: 11 408 households out of 11529 households have access to refuse removal services (98.9%)

Human Settlement

Approximately 3880 households ought to be built (housing backlog). Rectification is urgently required in many of the wards (Bergsig & Paterson 450 more than others). The extent of the challenge is mainly around:

- Shortage of Land & Funding
- Bulk Infrastructure challenges Enon

The actions that are being undertaken to date are:

- Housing Sector Plan updated
- DoHS allocated Bulk funding for Langbos & Mollyblackburn.
- 80 Units for Addo 801
- Enon/Bersheba 450
- Bersig 6
- The Department needs to assist the municipality in purchasing Habata land in Addo and provide funding for Enon Greenfields – (R45,856,500.00)

Building Regulations - National Building Regulations are being complied with. Building control policies and procedures are in place to ensure enforcement.

2.4 COMMUNITY AND SOCIAL SERVICES

PUBLIC AMENITIES:

- There are 10 Community Halls in LM area.
- There are 6 Sports fields.
- There is 1 Public swimming pools.

CEMETERIES – There are 12 cemeteries and 6 have reached capacity.

LIBRARIES - There are 8 Libraries and other areas are serviced by mobiles.

SOLID WASTE MANAGEMENT

Landfill Sites: LM has 2 unlicensed sites and 2 licenced sites.

The municipality is challenged with illegal dumping and random dumping. Measures to control and eliminate this challenge are in place with little reported success.

Integrated Waste Management Plan (IWMP) has been developed but needs to be reviewed.

The LM has engaged **co-operatives** in the waste collection services: 4 have been established.

ENVIRONMENTAL MANAGEMENT

Integrated Environmental Management Plan (IEMP) has been not developed.

There are 0 estuaries that give life to aquatic life.

Climate Change Strategy has not been developed.

COMMUNITY SAFETY

There are 3 police stations within the LMs jurisdiction.

Community Safety Forums are functional.

Crimes cover: Stock theft, Robbery with aggravating circumstances, burglary of non-residential and residential properties. Drug related crimes also need serious attention.

SRVM needs assistance in the following critical areas:

- DEDEA to assist SRVM with additional funding.
- DEDEA to assist SRVM to get additional funding from DEA (National-EPIP).
- Multipurpose facilities are needed in all major towns

2.5 LOCAL ECONOMIC DEVELOPMENT

LED Strategy – was last adopted in 2012. The situation analysis has been updated during 2014/15 financial year through the assistance of local government and ECSECC.

There is no **museum** within the municipal area and its establishment is very significant.

Tourism: Tourism destinations within municipal boundaries are: Addo Elephant National Park, Shamwari, annual festival (Kirkwood Wildlife, Rose Festival, 4x4 rides). The Local Tourism Organisation was funded by the District Municipality.

List **heritage** sites: 1) Moravian Church 2) Fallen Heroes Monument 3) Slaagboom

-406 jobs were created in 2013/14.

- 34 SMME that were supported in 2013/14; in terms of Skills Development and Training (21), Funding (2) and Registrations(11).

- 11Jobs created from July 2014 to Dec.2014.

- Activities done in supporting SMMEs from July 2014 to Dec. 2014

- SMME in Construction Information Sharing (CIBD, SEDA, NEDBANK) workshop was held to capacitate construction SMME

- SMME Database Registration (SEDA) – All three towns were visited.

List economic growth pillars / drivers

- Agriculture
- Tourism
- Construction
- Community / Social Services

2.6 GOOD GOVERNANCE

There is a challenge between planning, integration and reporting between the municipality and sector departments – the communication gap was left to the communications officer to facilitate, the absence of a person in that crucial post has hamstrung the Municipality's planning and integration. This notwithstanding, the office of the MM together with that of the Mayor has tried to constantly liaise with sector departments. This has been incorporated in the performance plan of the MM.

Information gap between management (admin decision makers) and Communities;

- limited funding to address issues/needs raised by communities.
- Also, ward committees and CDWs are established to bridge the gap.

2.7 FINANCIAL VIABILITY AND MANAGEMENT

2.7.1. Key Issues for Financial Viability

The financial sustainability of the municipality remains our main priority despite serious cash flow challenges currently being experienced due to amongst other things declining collection rates, historic expenditure patterns and a general lack of “doing business smarter”.

Some improvements have been achieved in the pursuit of clean audit and financial viability in terms of the following areas.

- Free Basic Services unit has been established
- Restructuring of the organogram to assist with capacity issues
- Long existing debt has been settled

It should be noted that the municipality is heavily reliant on grant transfers as its main source of income. These grant transfers usually have a condition attached to it so making it impossible to spend as the municipality wishes. This depicts that as a whole the municipality cannot attend to core service delivery priorities in order to address social ills and backlogs.

2.7.2. Budget Expenditure Review

A. Revenue Management

- Date cleansing is being performed to ensure the integrity of billing information and accuracy of customer accounts
- Acquisition of meter reading equipment to eliminate estimates and inaccuracy
- Updating and re-registering of indigent list to ensure effective targeting and improved systems

B. Collection of Outstanding Debt

There are high levels of debt to suggest deficient efforts to collect billed revenues due to:

- Payment levels that are under 50%
- Poor implementation of the debt and credit control policy
- Tariffs are not cost-reflective and municipality subsidizes customers for electricity

- Large number of indigents not registered, however a robust drive to register indigents is now underway

C. Under spending on Repairs and Maintenance

The medium to long-term consequences of under-spending on repairs and maintenance shortens the useful life of assets and thus necessitates earlier replacement. SRVM under spends on repairs and maintenance due to:

- Increasing expenditure trend-Cash flow constraints
- Insufficient budget to ensure the continued provision of services

D. Spending on non-priorities

SRVM prioritises cost items that have a direct impact on communities, however few exceptions are noticed with respect to:

- Expenditure not budgeted for
- Cost associated with long standing staff suspensions and legal costs
- The absence of procurement plan to manage cash throughout the year

2.7.3. Financial Plan

The municipality has a three year budget projection in line with Section 26(h) of the MSA and other Treasury requirements. The budget for 2015/16 provides a three year strategy to try and restore the balance in terms of personnel costs, general expenses, repairs and maintenance and provision toward bad debt.

The municipality has the following policies: Asset Management policy, Indigent Support policy, Rates policy, Credit control policy, Financial Management Policy, Bank & Investment policy, Write Off policy, Supply Chain Policy, and Tariff Policy of which the municipality is in the process of reviewing these policies for the 2015/16 financial year. These policies upon approval by Council will be promulgated into by laws and gazetted thereafter.

Although the determination of tariffs is in many instances politically orientated, it ought to be based on sound, transparent and objective principles at all times. It is important to identify the following user categories to be able to consider any forms of subsidization needs of communities:

- Users who are unable to make any contribution towards the consumption of municipal services and who are fully subsidized in terms of basic package of municipal services.
- Users who are able to afford a partial contribution and who are partially subsidized only
- Users who can afford the cost of the services in total

The borrowing policy, funding and reserves and long-term financial plan are included in the financial management policy. Rates by-laws were approved by Council and gazette. The municipality is in the process of reviewing all by-laws. The municipality valuation roll has been implemented in 2014/15 financial year.

EC106 Sundays River Valley - Table A1 Budget Summary

Description R thousands	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Financial Performance										
Property rates	12 266	13 014	13 933	14 623	14 623	14 623	14 623	14 798	15 016	15 226
Service charges	35 712	38 376	45 222	25 362	42 514	42 514	42 514	45 400	48 936	52 881
Investment revenue	168	285	549	213	213	213	213	192	203	215
Transfers recognised - operational	43 932	42 787	50 327	54 456	53 137	53 137	53 137	63 546	66 925	71 164
Other own revenue	9 460	11 830	12 718	14 354	15 598	15 598	15 598	14 310	14 840	15 369
Total Revenue (excluding capital transfers and contributions)	101 538	106 293	122 749	109 008	126 084	126 084	126 084	138 246	145 921	154 855
Employee costs	28 007	31 682	37 677	48 164	45 929	45 929	45 929	48 106	50 857	53 854
Remuneration of councillors	3 800	4 930	5 519	5 231	5 117	5 117	5 117	5 347	5 347	5 377
Depreciation & asset impairment	17 388	13 797	19 310	17 500	17 500	17 500	17 500	17 500	18 463	19 441
Finance charges	2 404	2 720	328	1 038	1 038	1 038	1 038	1 088	1 153	1 217
Materials and bulk purchases	14 250	24 163	26 551	14 178	19 226	19 226	19 226	24 381	26 849	29 885
Transfers and grants	8 102	-	8 043	7 244	10 798	10 798	10 798	11 442	12 119	12 805
Other expenditure	26 401	42 410	61 919	52 135	42 566	42 566	42 566	77 737	82 500	87 431
Total Expenditure	100 352	119 702	159 347	145 490	142 174	142 174	142 174	185 601	197 287	210 011
Surplus/(Deficit)	1 185	(13 408)	(36 598)	(36 483)	(16 090)	(16 090)	(16 090)	(47 356)	(51 366)	(55 156)
Transfers recognised - capital	17 200	22 965	21 616	25 147	24 147	24 147	24 147	28 620	24 434	25 655
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	18 385	9 556	(14 982)	(11 336)	8 057	8 057	8 057	(18 736)	(26 932)	(29 501)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	18 385	9 556	(14 982)	(11 336)	8 057	8 057	8 057	(18 736)	(26 932)	(29 501)
Capital expenditure & funds sources										
Capital expenditure	52 572	16 485	21 616	26 975	27 618	27 618	27 618	29 374	24 434	25 655
Transfers recognised - capital	50 926	16 277	17 770	25 685	24 685	24 685	24 685	28 630	24 434	25 655
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	1 646	207	3 846	1 290	2 933	2 933	2 933	744	-	-
Total sources of capital funds	52 572	16 485	21 616	26 975	27 618	27 618	27 618	29 374	24 434	25 655

2.7.4. Financial Strategies

A. Revenue Enhancement Strategy

A comprehensive revenue enhancement strategy is undertaken and it includes:

- Cleaning of the debtor database to ensure that all consumers are levied for all services received at the correct tariff for such service.
- Reviewing and formalising an indigent policy for the municipality.
- Ensuring that all consumers that qualify in respect of such approved indigent policy are registered.
- Implementing credit control measures to significantly improve payment levels and ensure that consumers that can pay do so.
- Reviewing Council's tariff policy in respect of the subsidy of free basic services and to ensure that the actual cost of services is recovered through the respective tariffs.
- Restructuring of the operational budget to ensure that the budget is cash funded and that it reflects actual payment levels in respect of bad debt provision.
- Investigating distribution losses in respect of electricity and water to ensure that electricity and water purchased is billed
- Appointment of a debt collection agency to assist in collecting outstanding debt
- Restructuring offices to ensure efficiency in operations

Engagements with service providers are underway to ensure that the best financial recovery plan is in place, taking into account the organisational and community factors to address cash flow problems of the municipality. It is envisaged that the plan will be implemented with no delays in the 2015/16 financial year.

B. Asset Management Strategy

The municipality completed GRAP 17 implementation during 2013/14 financial year and has now a comprehensive database of all assets within the organisation. An asset management accountant has been appointed during 2014/15 to head asset management section. Asset management policy was adopted by council which clearly identifies roles & responsibilities of all as well as identifying the need to have an asset maintenance plan and is also being reviewed annually. It should be noted that municipal assets were destroyed in the 2014/15 financial year and this will have a negative impact on the total assets of the institution.

C. Supply Chain Management Strategy

Sundays River Valley municipality has a centralised system of supply chain. The supply chain unit is headed by a Supply chain practitioner. Procurement clerks have been appointed. All bid committee are functional. The supply chain management policy has been reviewed. SCM manager will be appointed in 2014/15 financial year so as to head the SCM unit and minimise non-compliance within the section.

2.7.5. Introduction-Change In Accounting Policy

Accounting policy is the specific principles, bases, conventions, rules and practices applied by the municipality in preparing and presenting financial statements.

The 2013/14 annual financial statements were prepared in accordance with Generally Recognized Accounting Practice Standards, National Treasury formats.

Basis used to prepare the municipality's annual financial statements

- Accrual basis of accounting
- Standards of GRAP approved by the Accounting Standards Board.
- Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted
- On the basis of a going concern

2.7.6. Summarized Financial Statements

It is the responsibility of the accounting officer to make sure that the annual financial statements are prepared based on the prescribed format and submitted to Auditor General on time as prescribed by the MFMA. An AFS process plan was developed to safeguard against non-compliance and compilation of the AFS. It has been implemented from March and will be an on-going process till AFS are submitted.

The Financial Statements listed below relate to the previous 2 years of audited financial information 2012/13 and 2013/14 financial years.

SUNDAYS RIVER VALLEY MUNICIPALITY		
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014		
	2014	2013
	R	R
ASSETS		
Current assets	17 809 034	31 124 696
Cash and cash equivalents	6 999 209	6 290 990
Trade Receivables from exchange transactions	9 955 781	23 725 942
Trade Receivables from non- exchange transactions	696 039	949 759
Inventories	158 005	158 005
Non-current assets	395 710 602	399 907 841
Other Assets		-10 500
Property, plant and equipment	366 676 589	370 571 903
Intangible assets	670 507	982 932
Investment properties	28 363 506	28 363 506
Total assets	413 519 636	431 032 537
LIABILITIES		
Current liabilities	38 274 314	31 794 439
Trade and other payables from exchange transactions	4 140 158	3 774 463
Consumer deposits	269 980	262 178
Current provisions	3 010 137	2 609 713
Other financial liabilities	908 443	960 859
Current portion of unspent conditional grants and receivables	3 073 282	612 595
Current portion of finance lease liability	26 872 314	23 574 631
Non-current liabilities	17 287 911	27 091 086
Retirement benefit obligation	3 383 048	3 612 000
Other financial liabilities	4 153 983	6 888 143
Non-current finance lease liability	404 173	767 737
Non-current provisions	9 346 707	15 823 206
Total liabilities	55 562 225	58 885 525

Table 24: Income statement as at 30 June 2014

SUNDAYS RIVER VALLEY MUNICIPALITY		
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2014		
	2 014	2 013
	R	R
Revenue		
Property rates	13 933	13 014
Property rates - penalties imposed and collection charges		
Service charges	45 222	38 365
Rental of facilities and equipment	128	115
Interest earned - external investments	549	285
Interest earned - outstanding receivables	7 058	4 649
Fines	2 013	1 907
Licences and permits	1 989	1 327
Agency fees	1 121	1 577
Government grants and subsidies	72 717	65 752
Other income	417	2 266
Total revenue	145 147	129 258
Expenses		
Employee related costs	37 677	31 682
Remuneration of councillors	5 519	4 930
Bad debts impairment	42 097	15 822
Depreciation and amortisation expense	19 310	13 797
Repairs and maintenance	11 816	11 843
Finance costs	328	2 720
Bulk purchases	14 734	12 320
Grants and subsidies expensed	8 043	
Contracted Services	1 885	2 446
General expenses	17 926	24 142
Total expenses	159 336	119 702
Gain / (loss) on sale of assets		-
Profit / (loss) on fair value adjustment		

Financial Analysis-Selected Financial Indicators

The selected trends and financial ratios relating to Sundays River Valley Municipality for the period under review are listed below. These provide a platform to analyze the current financial situation of the municipality. The trends and ratios have been divided into the following categories;

- Income and Expenditure
- Revenue management/Liquidity
- Borrowing management

Table 26: Income and Expenditure

	2014	2013
	R	R
Total Income	145 147 220	129 257 582
% increase/decrease over previous years	11%	8%
Total expenditure	159 335 559	119 701 546
% increase/decrease over previous years	25%	16%
Surplus/(Deficit)	-14 188 339	9 556 036
Budgeted expenditure	122 692 115	122 723 225
% increase/decrease over previous years	0%	17%
Salaries and Wages-Actual	37 677 431	31 681 858
Salaries and Wages-Budgeted	37 436 367	31 231 890
% of expenditure to operational budget	31%	25%
% of increase/decrease over previous years	16%	12%
Councilors Allowances-Actual	5 519 224	4 930 220
Councilors Allowances-Budget	5 165 691	4 862 412
% of expenditure to operational budget	3%	4%
% of increase/decrease over previous years	11%	23%
Repairs and Maintenance-Actual	11 816 419	11 842 927
% of expenditure to total budget	10%	10%
Grant Transfer-Actual	53 136 620	50 326 809
Grant Transfer Received	73 481 000	66 671 361
% of expenditure spent	72%	75%
General Expenses	17 936 786	24 142 270

Total income versus Total expenditure

Income

The following table indicates how the actual income was realized in comparison to the budget provided for the past two financial years:

REVENUE	2013/14 ACTUAL	2013/14 BUDGET	% REALISED	2012/13 ACTUAL	2012/13 BUDGET	% REALISED
PROPERTY RATES	13 933 346	10 429 144	134%	13 014 347	16 065 692	81%
SERVICE CHARGES	45 221 884	19 772 000	229%	38 364 656	36 697 986	105%
INTEREST: DEBTORS	760 6613	2 353 503	323%	4 934 484	2 218 647	222%
LICENSES & PERMITS	1 989 209	1 211 504	164%	1 327 117	1 121 000	118%
RENTAL	128 021	126 755	101%	114 658	117 053	98%
FINES	2 012 548	2 653 000	76%	1 907 308	1 067 834	179%
AGENCY FEES	1 120 957	1 266 926	88%	1 577 044	1 173	134%
GOVERNMENT GRANTS	72 717 340	81 016 103	90%	65 751 795	83 438 000	79%
OTHER INCOME	409 302	7 232 000	6%	2 255 173	4 553 269	50%

Expenditure

Salaries and wages represent 24% of total expenditure and an increase of 3% over the previous year. The councilor's allowance represents 3% of total expenditure.

Repairs and maintenance represents only 10% of the total expenditure. The municipality has to keep its repairs and maintenance expenditure between 10-15% of the budgeted expenditure.

General expenditures have decreased by 35% as compared to the previous year and represents 11% of total expenditure.

2.7.7. Income

Introduction

Realistic anticipated income is guided by a tariff structure that is fair, equitable and economical. Income is supplemented from various source but directed to spending on basic service. Income balance is determined by the need to break-even with mandatory and involuntary spending in the pursuit of legislative requirements and the purpose of existence

The following describes the various types of income with their annual growth indicators.

i) RATES

	13-Jun	12-Jun
Budget	10 429 144	16 065 692
Actual	13 933 346	13 014 347

Water Service Authority (WSA)

The municipality, through a unique situation for this district, was empowered as a WSA in 2005. This authority allows us to make all decisions related to water, sanitation and related matter. The option of being a Water Services Provider (WSP) was also taken. A section 78 process was undertaken by the Cacadu District Council and it was decided that the Municipality will not make use of an external services provider in this regard

ii) WATER

	2013/14	2012/13
Budget	7 350 000	11 355 107
Actual	20 027 989	12 753 630

Regional Energy Distribution (RED): Zone 3

REDS is part of government initial to rationalize the Energy Distribution Industry. The Municipality forms part of the REDS 3. This will have a noticeable impact on the income and the management responsibilities of the municipality.

This is so as electricity is a major source of income. The service area is shared with Eskom. The future uncertainty is what we have to watch. No new area were developed whose billing and income was the property of the municipality.

iii) ELECTRICITY

	2013/14	2012/13
Budget	9 778 000	15 089 680
Actual	14 489 075	15 621 776

iv) REFUSE

	2013/14	2012/13
Budget	2 338 000	3 607 400
Actual	3 518 543	3 545 461

vj) SANITATION

	2013/14	2012/13
Budget	4 306 000	6 645 034
Actual	7 197 178	6 455 128

vii) GRANTS

a) *Equitably Share*

	2013/14	2012/13
Budget	40 404 000	36 314 000
Actual	40 404 000	36 314 214

Council's equitable share allocation was increased by 13.51% from R36 314 000 to R40 404 000 and remains council's major source of income. The following demographic data (from the 2011 Census statistics) was used for calculating council's equitable share and MIG allocations:

Free Basic Services

Free Basic Services is regulated by Council's Indigent Policy. It pivots on an income threshold of R1 260 and has two distinct categories, namely:

Category A- Income less than R1 260 -100% subsidy

Category B- Income from R1 260 to R2 520 -50% subsidy

Every household receive 6 kiloliters of water free irrespective of income level as part of the free basic water system.

The following services are subsidized:

- Water (6KL)
- Sanitation
- Electricity (50Kwh)
- Refuse
- Rates (Limited to RDP value)

2.7.8. Capital Expenditure

Table 27: Capital expenditure – audited results

Asset	2013/14 actual	2013/14 budget	% spent	2012/13 actual	2012/13 budget	% spent
Furniture		-	-			
Infrastructure	17 769 675	21 646 000	82.09%	16 277 489	35 951 000	45.28%
Office equipment	713 513	1 222 000	58.39%	473 284	5 127 000	9.23%
Community	0	3 618 000	0.00%	155612	4865000	3.20%
Lease assets	3 132 724	-	#VALUE!		-	#VALUE!

Infrastructures are financed solely out of grants received- MIG

GOVERNMENT GRANTS AND SUBSIDIES ALLOCATIONS

EC106 Sundays River Valley - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2012/13	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue &		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		34 087	39 552	46 763	51 285	50 085	50 085	61 909	65 160	69 257
Local Government Equitable Share		31 991	36 314	40 327	46 351	46 351	46 351	55 182	59 228	62 773
EPWP Incentive			998	1 000	2 200	1 000	1 000	1 000		
Municipal Systems Improvement		742	779	890	934	934	934	930	957	1 033
Integrated National Electrification Programme		–		500	–	–	–	1 679	1 679	1 756
Finance Management		1 354	1 270	1 650	1 800	1 800	1 800	1 875	2 010	2 345
MIG						–	–	1 243	1 286	1 350
Disaster Relief Grant				2 396						
Provincial Government:		333	271	1 507	1 507	1 507	1 507	350	350	350
Small town revitalization		333	271	350	350	350	350	350	350	350
Library Grant DISRAC				1 157	1 157	1 157	1 157			
District Municipality:		–	–	1 365	1 464	1 545	1 545	1 662	1 573	1 693
Environmental Health		–		990	1 089	1 170	1 170	1 287	1 198	1 318
Fire				375	375	375	375	375	375	375
Other grant providers: INDIRECT GRANT		9 512	2 784	500	200	–	–	–	–	–
DWAF		8 126				–	–			
Other grant providers:		1 386	2 784	500	200	–	–	–	–	–
Total Operating Transfers and Grants	5	43 932	42 607	50 135	54 456	53 137	53 137	63 921	67 083	71 300
Capital Transfers and Grants										
National Government:		17 200	24 065	23 346	24 147	24 147	24 147	28 620	23 577	23 513
Municipal Infrastructure Grant (MIG)		17 200	24 065	23 346	24 147	24 147	24 147	23 620	24 434	25 655
Regional Bulk Infrastructure								5 000		
Provincial Government:		–	–	–	–	1 000	–	–	–	–
Other capital transfers/grants [insert description]						1 000				
District Municipality:		–	–	–	–	–	–	–	–	–
Environmental Health										
Other grant providers: INDIRECT GRANT		–	–	–	–	–	–	–	–	–
DWAF										
Total Capital Transfers and Grants	5	–	–	–	–	–	–	–	–	–
TOTAL RECEIPTS OF TRANSFERS & GRANTS		61 132	66 671	73 481	78 603	77 284	77 284	92 541	90 660	94 813

CHAPTER 3:

STRATEGIC DIRECTION

CHAPTER 3: Strategic Direction

3.1 INTRODUCTION

This section of the IDP comes immediately after the analysis section (chapter 2) and it details how the Municipality will achieve the targeted results taking into account its situation, needs and prospects. The strategies to be canvassed out assist the Municipality to be able to advance towards its targeted vision.

3.2 VISION:

To be a United, Responsive Municipality that is Prosperous and Financially viable, delivering professional and excellent services to its entire community.

3.3 MISSION:

Sundays River Valley Municipality will fulfill its Mandate to its Constituencies in a manner that is Accountable; Subscribes to Sustainable Utilization of Resources; and operating in a Democratic, Non-Racial, Non-Sexist and Safe Environment.

3.4 CORE VALUES

Dignity	Honesty
Respect	Diligence
Trust	Caring
Integrity	Transparency

3.5 STRATEGIC DIRECTIONS

The Sundays River Valley Municipality is a category B municipality with a Collective Executive System made up of a ward participatory system established in terms of the Local Government: Municipal Structures Act 117. It is one of the nine local municipalities under Cacadu District Municipality. The municipality takes its legislative mandate from the provisions of Section 152 of the South African Constitution which is as follows:

- To give priority to the basic needs of the local community.
- To promote the development of the local community.
- To ensure that all members of the local community have access to at least a minimum level of basic municipal services (this takes precedence over others).
- To ensure sustainability of services, municipality and settlements.

To give effect to the above mandate, the municipality has approved the following priority areas:

- Provision of Infrastructure and Basic Services.
- Local Economic Development.
- Community Services.
- Institutional Transformation and Development.
- Good Governance and Public Participation.
- Financial Viability and Management.

3.6 SWOT ANALYSIS

STRENGTHS	WEAKNESSES
Dedicated Leadership Stable Council Fully fledged management team	Internal Capacity Destroyed Municipal buildings
OPPORTUNITIES	THREATS
Strategic Partnerships Economic Development Social Cohesion PMS for accountability	Unstable Communities Lack of Funding Staff morale

3.7 THE SUNDAYS RIVER MUNICIPAL MANAGEMENT CHARTER

Municipal management charter according to the SDBIP addresses the following priority areas to ensure financial viability and sustainability of the Sundays River Valley Municipality:

- Implementation of a credible budget.
- Effective budget monitoring.
- Maintain and implement an effective credit control policy.
- Increase revenue collection with at least 20% to 70%.
- Review Supply Chain management policy and ensure regular reporting on Supply Chain matters.
- Effective monitoring of creditors.
- Effective and up to date billing system.
- Provision of clean, adequate drinking water to all.
- Unqualified audit opinion.
- Develop a credible IDP.

- Fixing of roads in the municipal area.
- Good governance.
- Improved liquidity of the institution and reduction of the debt book (restore the financial viability).

Community Engagements

The municipality started community engagements on the 27th of February 2015 in Nomathamsanqa with a meeting of all ward representatives. This engagement was attended by the Mayor, Speaker of Council, ward and PR councillors and the management of the Municipality. A summary of the priorities that emerged is listed below.

Ward/Area	Issues raised
Paterson	<ul style="list-style-type: none"> • Illegal occupation of houses • Repairing of high mast lights • Slow progress in the construction of sportfields
Ward 7	<ul style="list-style-type: none"> • Lack of political leadership and visibility of political head and structures • Cemeteries not cleaned regularly • Available sportfield is on private land and local teams have to use such fields.
Kirkwood	<ul style="list-style-type: none"> • State of internal roads is appalling and presents a danger to pedestrians and motorists alike. • Water and sanitation is still a huge problem • Drain leakages go unattended for long periods • No report back to the community on shoddy work (on roads) by contractors appointed by the Municipality

Nomathamsanqa	<ul style="list-style-type: none"> • Growing concern that sports and recreational programmes are only happening in Kirkwood. • Water and sanitation is still a problem • High mast lights are not working in Noluthando • Street naming is needed
Valencia	<ul style="list-style-type: none"> • Consistent supply of clean water is still a challenge • Volunteers at the local library are not getting stipends
Bersheba	<ul style="list-style-type: none"> • RDP houses have no water connection • Supply of water is not constant • The mobile clinic comes once a week but this is not constant as some weeks it does not come.

At the conclusion of the above all inclusive meeting, the political leadership of the Municipality together with the heads of the administration drew up a new programme to visit all wards individually to discern and confirm ward priorities from those that were captured on the 27th of February 2015 and those that were captured in the previous years' IDP/Budget consultation. Below is a reflection of the ward priorities from those engagements that took place. It is to be noted that the ward consultations are still ongoing and some wards are still to be visited.

Cllr Qusheka

Ward 5	2014/2015 ward priorities	2015/2016 ward priorities
	<ul style="list-style-type: none"> • Building of RDP houses • Upgrading and tarring of roads 	<ul style="list-style-type: none"> • Building of houses • Tarring of roads

	<p>especially in Nomathamsanqa and Langbos</p> <ul style="list-style-type: none"> • Erection of high-mast lights • Electrification of existing houses • Housing rectification especially in the Ntakazilali area on top of the canal. • Identification of land for the building of a shopping centre • Improvement in police patrols • Improvement in response time of ambulance services • Illegal dumping sites to be attended to • Refuse waste to be collected timeously to stop illegal dumping • Water condition is appalling and needs urgent attention • Sewage system in Noluthando area to be attended to promptly • Land for cemeteries and livestock • Open water canal adjacent Nomathamsanqa and Langbos • Hospital condition to be improved • Recreational youth programmes 	<ul style="list-style-type: none"> • Electrification of houses • Land for a shopping centre • Visible policing • Access to emergency services • Cleaning of illegal dumping sites • Timeos refuse collection and access to refuse bags • Houses in Noluthando need access to water • No graveyards • Land for agricultural activities • Youth and empowerment programmes • Improvement in the conditions in the clinic • Community in need of a big sport centre and hall • No toilets in Duka, Mandela, Zwelitsha
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Cllr Snoek

Ward 8	2014/2015 ward priorities	2015/2016 ward priorities
Enon, Bersheba, Moreson and Greenfields	<ul style="list-style-type: none"> • Income generating project /Sustainable Employment opportunities • Improved Skills and Education • Upgrading housing infrastructure and eliminate informal settlement 	<ul style="list-style-type: none"> • People of Moreson want a playground, multi-purpose centre and a swimming pool as children are swimming in dirty water canals • Installation of geyzers

etc	<ul style="list-style-type: none"> • Title deeds • Consistent supply and access to clean water • Improved sanitation infrastructure • High mast lights / housing electrification • Clean and safe Environment (Big rubbish Bins recycling) or refuse removal twice a week • Eliminate illegal dumping • Control sewer overspill • Control vandalism • Control stock theft /general • Subsistence abuse • Community Centre (library, indoor gymnasium, career guidance, shopping centre 	<ul style="list-style-type: none"> • Fencing in the existing playground • Construction of a soccer field • Upgrade and cleaning of the cemetery in Enon – employing a caretaker was highlighted. • Lighting strength of high mast lights is weak • Mobile clinic comes once a week – at times it does not arrive. • Condition of roads is appalling • Toilets in the community hall are not working • In need of a site for a graveyard in Bersheba • Houses built and transferred to people without access to water • Fencing of the water canal • Better control system for the community hall, sportfield and graveyard • Empowerment for youth – especially in brickmaking • Area of greenfields is in need of RDP houses, clean water and electricity
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Cllr Simpiwe Rune

Ward 6	2014/2015 ward priorities	2015/2016 ward priorities
	<ul style="list-style-type: none"> • Building of RDP houses • Electrification of existing houses • Housing rectification especially in the Ntakazilali area on top of the canal. • Identification of land for the building of 	<ul style="list-style-type: none"> • Land is needed for settlement especially for people in the Molly Blackburn and Langbos area • Rectification of existing RDP houses that are not in a good condition

	<ul style="list-style-type: none"> • a shopping centre • Improvement in police patrols • Improvement in response time of ambulance services • Illegal dumping sites to be attended to • Refuse waste to be collected timeously to stop illegal dumping • Water condition is appalling and needs urgent attention • Sewage system in Noluthando area to be attended to promptly • Land for cemeteries and livestock • Open water canal adjacent Nomathamsanqa and Langbos • Hospital condition to be improved • Recreational youth programmes • Erection of high-mast lights • Upgrading and tarring of roads especially in Nomathamsanqa and Langbos 	<ul style="list-style-type: none"> • Clean drinking water for human consumption • High mast lights • Land for cemeteries and livestock • Internal roads around Bukani to be graveled while they have not been tarred • Enclosure of water canal • Emergency services (fire and ambulances) brought closer to the people to increase response time • Construction of a playground for children
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As was stated previously, the community engagements are still on-going the lists above are not exhaustive of the ward priorities of the Sundays River Valley.

Alignment of national and provincial plans with those of Sundays River Valley

National Development Plan	Government Outcome	Provincial Growth and Development Strategy – EC.	SRVM – Strategy
Economic growth	Outcome 4: Decent employment through inclusive economic growth Outcome 11: Output 3: Implementing the Community Work Programme;	Systematic eradication of poverty through a holistic, integrated and multi-dimensional approach to pro-poor programming.	1.Promote employment opportunities through EPWP and CWP 2. Create credible institutional framework for investors and new business entrants to exploit business opportunities.
Rural development	Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all	Agrarian transformation and strengthening of household food security.	Initiate poverty alleviation and food security programs by availing municipal resources and support (including municipal infrastructure).
Economic growth	Outcome 4: Decent employment through inclusive economic growth	Consolidation, development and diversification of the manufacturing base and tourism potential.	Facilitate effective branding and marketing of products/services identified in the Tourism Sector Plan.
Expand infrastructure	Outcome 11: Output2: Improving access to basic services;	Infrastructure development	To provide and invest in the economic infrastructure development in all wards by 2017.
Building a capable state	Outcome 5: Skilled capable workforce to	Public sector and institutional	Development of Skills Plan and

	support an inclusive growth path	transformation.	Implementation Strategy

CHAPTER 4:

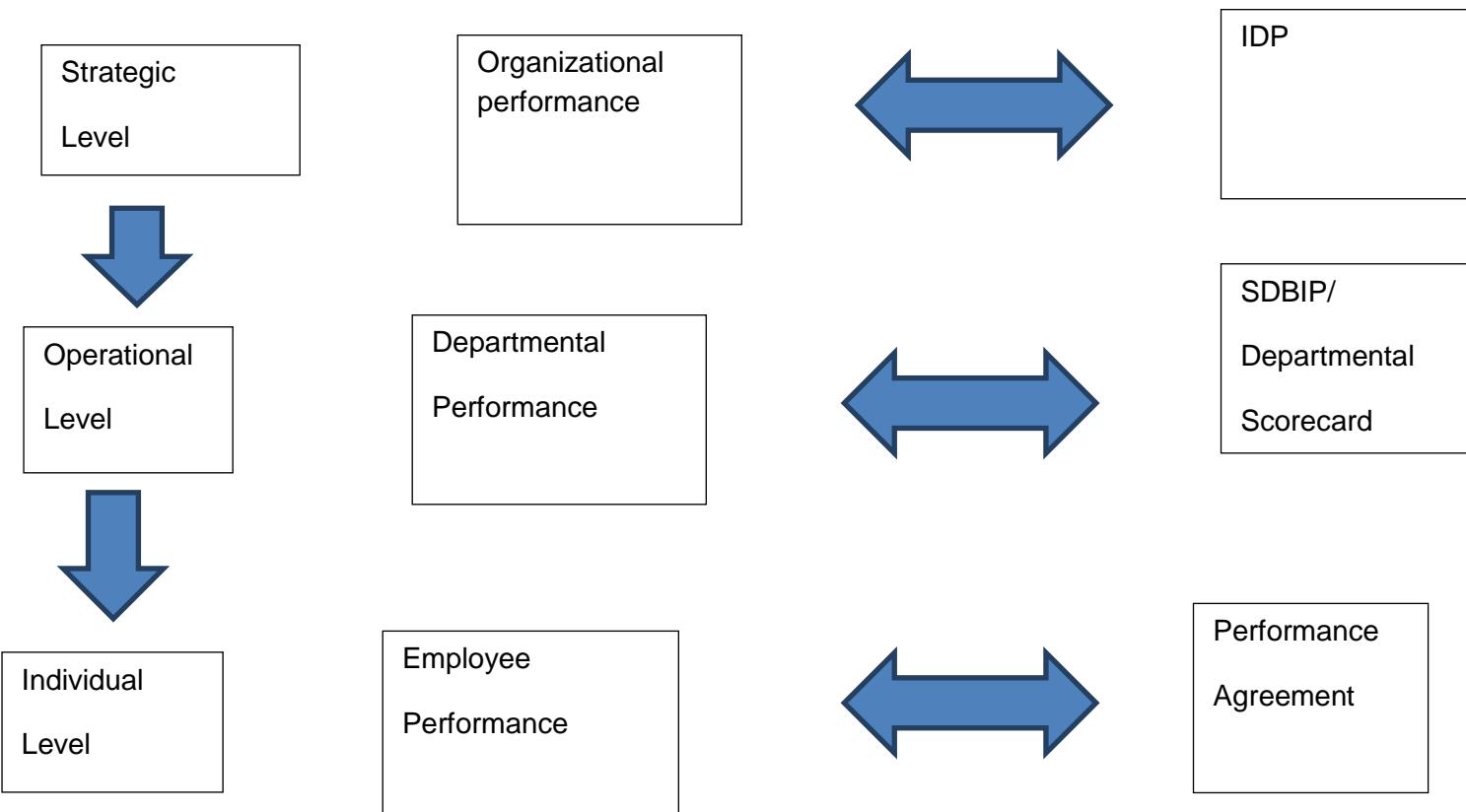
PERFROMANCE MANAGEMENT

CHAPTER 4: PERFORMANCE MANAGEMENT

4.1 THE NATURE OF PERFORMANCE MANAGEMENT

Performance management, as a system and tool of municipal governance, is a legislative imperative. Performance Management System in SRVM is intended to manage and monitor service delivery progress against the identified strategic objectives and priorities in the IDP. It is a system through which the municipality sets targets, monitors, assesses and reviews the organisational and individual's employee's performance, based on municipality's priorities, objectives and measures derived from the municipal integrated development plan. A Performance Management System enables the municipality to conduct a proper planning, measuring, monitoring, reviewing and reporting on its performance.

Sundays River Valley Municipality recognizes that there are three separate points of focus when one looks at performance management. In no particular order, one can look at organizational performance (strategic level), secondly the focus could be on the performance of policies or programs (operational level) and lastly one can look at the performance of individuals (individual level). The illustration below reflects this.



From the above illustration it is apparent that performance management includes both individual and organizational performance in an integrated set of planning and review procedures which cascade down through the organization to provide a link between each individual and the overall strategy of the organization. The main reason behind performance management in local government is the fulfillment of the twin tasks of improving external accountability while also increasing internal efficiency.

4.2 THE MANAGEMENT OF PERFORMANCE AT SRVM

Sundays River Valley Municipality has for some time been without a person dedicated to the role of looking after the performance management system with all its demands and intricacies. This situation has since changed. From February 2014 SRVM has engaged a person skilled in performance management systems. As such, the municipality has seen attempts to bring its KPI's within the 'SMART' principle. The 2014/15 financial year also has plans to cascade the PMS reporting tool to lower managerial levels. The Municipality has in 2014/2015 cascaded performance to two departments (Finance & MM's Office) as a pilot. There are intentions of cascading to other departments in 2015/2016 (Community Services & Corporate services and Technical).

SRVM is particularly mindful of the importance of performance, and it's reporting for purposes of identifying prospective problems in implementation and also of the need to be accountable for such performance. The strides taken thus far are modest but nonetheless significant in such a crucial area of municipal governance.

The municipality has reviewed and adopted its performance management policies for 2013/14 financial year. Council has adopted the performance plans of s57 Managers and were subsequently forwarded to relevant departments together with the performance agreements. In 2014/2015 the performance management Unit together with the office of the Chief Internal Auditor and the Audit Committee have undertaken a long process of making KPIs and targets SMART(er).

The performance management policy was reviewed and adopted by Council in September 2014. Also, the performance agreements of section 57 Managers for the financial year 2014/2015 were adopted and sent to the relevant departments of government.

The municipality uses an electronic system that requires Directorates to populate performance information in their discharge. The electronic system with the information fed into it makes it easier to access such information, and to consequently compile the quarterly and annual performance reports mandated by legislation. It also allows management to assess the strides taken to achieve the objectives as set. With the myriad responsibilities of local government, management is aware that it takes continuous attention, dedication and in particular stamina from management to keep focusing on performance management in order to keep it alive in the organization

CHAPTER 5:

PROJECTS

Projects for 2015/16 have not been finalised yet. It however suffices to list the recommendations that were concluded during the service delivery summit that was held on the 15 March 2015. These recommendations will be packaged into projects and timelines during the council strategic session that will be held in April 2015. The attached draft Service Delivery Budget Implementation Plan for 2015/2016 has proposed/draft projects. The list is not final and is subject to change.

The main projects that are funded from the R28, 6 million capital budget are:

- Upgrading of Addo Waste Water Treatment Works
- Upgrading of gravel roads
- Upgrading of Paterson Waste Water Treatment Works
- Rehabilitation of sport fields
- Community lighting
- Rehabilitations of Parks and Playgrounds
- Housing project
- Various items

Sundays River Valley Sub-regional Service Delivery Summit Resolutions

15 March 2015

Reitberg Primary School

Background

The objectives of the summit were to re-examine the state of the Municipality (governance) and service delivery challenges in order to lobby and leverage resources from the Provincial and National government departments. The resolutions of the four commissions were the following and resolved that:

Commission One (1)

1) Governance and Public Participation

1. New Audit Committee appointment must be speeded up and finalized by the end of April 2015.
2. All agendas of Council and its committees must reach councilors on time as per the rules and if not, then action must be taken against those responsible for the compilation and delivery of agendas to councilors.
3. The Chief Whip should submit monthly reports on the attendance of ANC councilors to all council and other meetings that they must attend as well as their punctuality.
4. The Speaker must also submit a monthly report on the attendance of all meeting by all councilors and their punctuality.
5. Council and all its structures and committees must be trained, work-shopped on their roles, functions and responsibilities before the 2nd week of April 2015.

6. Special training and induction of the Local Labour Forum (LLF) members must be done urgently- by 15 April 2015.
7. The Mayor must strictly monitor the implementation of all council resolutions on a regular basis.
8. The EXCO must strictly monitor the implementation of all council resolutions on a regular basis.
9. Ward councilors must hold monthly meetings in their wards as well as area meetings in the wards.
10. The assessment and review of ward committee of ward committees by COGTA must be speeded up and training for ward committees should include ward councilors.
11. The stipend for ward committees should be reviewed.
12. A clear public participation programme must be developed to engage communities.
13. The SPU must hold an outreach to communities to explain its role and programmes.
14. Relationship between Community Development Workers (CDW's), Ward Committees (WC) and councilors must be strengthened and clarified.

Commission Two (2)

2) Social and Community Services

15. Sector departments to strengthen their interactions with the municipality, as many problems are being experienced by our communities, be it IGR or on one-on-one discussions. For example:

- Department of Home Affairs – to assist people or children that never had birth certificates
- Department of Social Development – they are not honouring their schedule of dates, claiming that transport is a problem on their side
- Department of Health – clinics has got major challenges
- Department of Education – our high schools needs attention especially Samkelwe and Moses Mabhida, also building of Addo primary in Valencia
- Department of Safety and Liaison – SAPS to have satellite offices within communities for crime victims. Crime has taken its toll and one will be told there are no Vans to attend cases

16. Government should avail land for Human Settlement, farming and grazing

17. Water canal to be closed as many children and people are dying in it

Under the competence of the municipality:

18. The state of the roads – municipality must have MOU with department of Public works in order to maintain the roads.

19. Illegal dumping sites and graveyards – Municipality must use EPWP/Community Based Projects in order to clean our communities and keep dignity of our people.

20. Strengthening oversight and monitoring of our municipal employees that are failing to do their work and drinking during working hours.

21. Multi-purpose centers for Kirkwood, Addo, Paterson areas should be prioritized.
22. The municipality must do land audit speedily in order to know which land belongs to who in Sundays River.
23. Street naming process for all the areas that doesn't have names should be prioritized because it makes it difficult for Police and Ambulances to find destinations.
24. High mast lights must be installed in dark areas and the current one must be fixed.
25. CoGTA must assist the municipality with CDWs for ward 3, 5 and 6 appointments.
26. Municipality must look at the ageing infrastructure as it might be the reason of the water challenges and leakages.
27. There must be a standing Ambulance and Fire Brigade in Addo for a case of emergency.
28. The municipality must speed up the registration of the Landfill sites and ask for assistance from the relevant departments where necessary.
29. The municipality must educate our communities as they experience vandalism of their own properties.
30. Community halls need renovations and proper fencing.
31. The municipality should not outsource the refuse collection as it is another challenge, they must buy own trucks and hire people to do it.
32. The project of roads must do storm water channel alongside so that the road cannot be damaged by the water when it is raining.
33. Environmental section/inspectors to be visible in our communities and do proper work of monitoring in keeping healthy living standards.

34. The community's needs and old age home for the elders.
35. There is a need of a library in Nomathamsanqa location, the current library is at the high school and it makes it difficult for people to reach it.
36. Rectification of pre-and-post 1994 RDP houses.
37. Sewerage spillages to be attended as a matter of urgency especially Billet Street in Valencia.
38. Filing of critical positions which are budgeted.
39. Each ward must have equipped offices to assist communities
40. Council to handle matters pertaining land claims
41. FET college to be considered
42. Task team looking at resolutions and attach time frames to resolutions
43. Caucus to sit and assess council performance or resolutions and not only sit for council agenda purpose.

Commission Four (3)

1) Service Delivery and Infrastructure

44. Water

44.1 Water tanks should be provided on households with no water connection.

44.2 Scouring of water should be done regularly.

44.3 Water quality standards should be maintained.

44.4 Security fencing for all water treatment works dams

44.5 All Water treatment works & dams should be treated as "KEY POINTS" for safety.

45. Energy

45.1 Awareness on energy theft should be done.

45.2 Electricity should be done on areas where there is a layout plan before the development of housing for human settlements.

45.3 Erection of street lights where there is no lights on and its maintenance on existing ones should be done regularly and be monitored.

45.4 High mast lights should be erected on settlements where there is no such lights.

46. Roads

46.1 Master Plan should be done.

46.2 Prioritization of Provincial roads that are within the townships like Nomathamsanqa road from R335 towards the township, Mabida road from town to the township, Bersig Road and Valencia whites road.

46.3 All internal roads & streets that are within the access to main road should be paved.

46.4 All gravel roads should be maintained regularly.

46.5 SRVM must have its own budget for funding of internal roads

46.6 SRVM must partner with sector departments in particular Department of Public Works.

46.7 Spending of EPWP Labour Intensive Grant should be monitored.

- SRVM should access other modes of funding from the private banking to fast tract the backlog of service delivery

47. Sanitation

47.1 Regular monitoring of sewerage drains to avoid spillage.

47.2 Rapid Response Unit be formed in order to assist for all reported leakages, spillages and drain blockages.

47.3 Prioritization of bucket system for Paterson as 2014 was said its the year to end bucket system

- 47.4** Finding an immediate solution on collection of bucket in Paterson as it is done at any time during the day.
- 47.5** All dumping sites, be it illegal or otherwise should be cleaned and monitored regularly.
- 47.6** Accessing of land for human settlements & expansion of small towns be fast tracked and the Molly land issue with Habata be speedily resolved politically.
- 47.7** Security fencing of all our sewerage treatment works and be treated as "KEY POINT" for safety.

Commission Four (4)

4) Finance and LED

- 48. In the Revenue section of finance, a free basic services unit has been established through restructuring of finance office.
- 49. Training for councillors and staff on updating of Indigent Register and free basic services has been conducted and further training will be done for ward committees and community at large.
- 50. NERSA is currently helping with assessing electricity loss and by-passing.
- 51. Prepaid meters will have to be put in place and technical service is assisting in costing the project which will assist in increasing revenue.
- 52. Awareness campaign at the community level must be conducted to update indigent register so we can be able to service the people.

53. Review Organogram to maximise on debt collection function to deal with business and government department that owe the municipality.
54. Reconcile data account.
55. We need intervention to SAN PARKS claim that, they were exempted to pay their full debt.
56. We need assistance to buy prepaid metres so that customers can be billed according to use as we currently losing revenue.
57. We have historical debt to both DWA and AG and we need assistance to clear this debt.
58. We need assist from Human Settlements to determine the correct ownership of houses to allow the proper owners to pay for services rendered.
59. We need to find solution to the water leaks problem to allow for accurate billing, we note that, MISA has come forward to assist in this regard.
60. Systems and controls must be put in place to ensure incorrupt data in our billing system.

LED

61. One of the primary challenges is the absent of the LED Manager.
62. Industrialist- Our Local Economic Development sphere is industrial, more intense in citrus farming therefore the municipality needs to work on the skills related to the industry.

63. HR Development - College is proposed to train people in various areas
64. There are six proposed catalytic employment projects geared to increase employment
65. Small town revitalization project to develop a plan which will enhance investment and income in the area.
66. Municipality to create enabling environment for economic development so that business can prosper.
67. Sand mining from Paterson to be used to increase revenue
68. The Municipality should use EPWP rout to create jobs
69. The Molly Blackburn piece of land earmarked for development is valued at 1.5 million but the owner wants 6 million therefore council must apply to land affairs for expropriation.
70. Moratorium on land to be lifted and such land to be used to attract investment.
71. MIG allocation for LED 15 % and 5% for SMME's

The summit resolved to establish a task team that will ensure that these resolutions find resonance in the council operations.

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31st March 2015	Quarter 4 Target 30th June 2014	Ward
To ensure that the poor households access free basic services and that each household has access to a set of basic household services	Access to free basic and household services	# of households earning less than R1100 per month with access to free basic services	110		N/A	N/A	55	55	All wards
		# of households with basic level of sanitation	110		N/A	N/A	55	55	
		# of households with basic level of electricity	110		N/A	N/A	55	55	
To ensure compliant reporting in respect of all grants	MIG Funding	% of MIG grant funding spent	100%	241470 00	N/A	N/A	70%	100%	
SRVM Community has access to good quality	Roads & storm-water	Number of kms of existing roads upgraded	5.5 km	15 300 062	N/A	N/A	0.5km	0.8km	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
roads built according to applicable standards		to surfaced standards							
		Increase in the number of kms of storm water pipelines to control storm water run off	5kms		N/A	N/A	2.5km	5km	
		Number of kms of gravel roads dry-bladed	120kms	O&M Budget	N/A	N/A	90kms	120kms	
Improved efficiency in municipal water usage	Water resource management	% reduction in reticulation water losses (Bersig, Moses Mabhida, Aqua Park, Msengeni and Kirkwood town)	30%	2 300 000	N/A	N/A	N/A	30%	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
Ensure access and a continuous supply of good quality water and sanitation to each user by 2014	Continuous good quality of water maintained in line with national Water Act	% availability of water services to the consumers	80%	-	N/A	N/A	N/A	80%	
Upgrade electricity network for future development	Electricity	% electricity ring fenced for maintenance	6%	-	N/A	N/A	6%	6%	
		Turnaround time in repairing non-functional area lights	5 days	O&M	N/A	N/A	5 days	5 days	
		Number of high mast lights installed	2	R400 000	N/A	N/A	N/A	2	TBA

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31st March 2015	Quarter 4 Target 30th June 2014	Ward
	Licensing	%compliance with NERSA assessment (D-form)	70%		N/A	N/A	70%	N/A	
Effective Town Planning administration within SRVM jurisdiction	Illegal buildings control	Timeous approval of building plans	Within 10 weeks		N/A	N/A	Within 10 weeks	Within 10 weeks	
To ensure all findings by the Auditors are addressed	Repeat findings	Number of repeat findings	Nil	-	N/A	N/A	Nil	Nil	-
	Matters of emphasis reduced	Number of matters of emphasis reduced	Nil	-	N/A	N/A	Nil	Nil	-
	Compliance	% compliance (especially Fruitless and Wasteful expenditure, irregular and unauthorise	100 compliance	-	N/A	N/A	100% compliance	100% compliance	-

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
		<i>d Expenditure and self-inflicted causes of deviations)</i>							
Development Priority: Institutional Municipal Transformation									
To improve effectiveness in municipal governance	Vacancies in respect of funded posts	% reduction in vacancy rate	85% reduction in the vacancy rate	-	N/A	N/A	N/A	85% reduction in the vacancy rate	-
	Organization structure	% progress in the review of the organizational structure	100% progress in the review of the organizational structure i.e. organizational structure submitted to Council	-	N/A	N/A	N/A	Organogram submitted to Council for approval (100% progress)	-

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31st March 2015	Quarter 4 Target 30th June 2014	Ward
To ensure that the municipality has employment equity plan and that targets are met	Employment equity	% progress in the review of the employment equity plan	Reviewed equity plan submitted to Council for approval (100% progress).	-	N/A	N/A	Draft equity plan tabled to LLF and standing committee for discussion (60% progress)	Comments from consultation incorporate into the plan (85%) Equity plan submitted to Council for approval (100%)	-
	Implementation of the equity plan	% representation of women at middle management positions	50% representation of women at middle management positions	-	N/A	N/A	N/A	100% of annual target	
Capacity building and empowerment programmes to ensure skills enhancement of staff	Skills development	Number of employees trained	20% of total staff employed (total employees is 200)	750000	N/A	N/A	20	20	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31st March 2015	Quarter 4 Target 30th June 2014	Ward
To ensure effective public participation of ward committees .	Ward committees	Number of ward committee meetings convened	2	360000	N/A	N/A	One cycle of ward committee (1)meetings convened	One cycle of ward committee (1)meetings convened	
To promote sound labour relations environment	Labour relations	% of labour disputes resolved within bargaining council schedule	100% of all disputes resolved	-	N/A	N/A	75%	100%	
Leave management & administration improved to comply with legislation	Leave maintenance	% age of leave applications processed on time (processing = authorization, capture and filing of leave)	100%	-	N/A	N/A	100%	100%	
To have an effective ICT	ICT	% development of ICT plan	ICT plan submitted to council for adoption		N/A	N/A	N/A	ICT plan submitted to council for adoption (100%)	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
)	
To improve effectiveness in municipal governance	Audit	% of progress on audit action plan from both AG and Internal Audit	100% implementation of audit action plan	-	N/A	N/A	50% implementation of audit action plan	100% implementation of audit action plan	
		Number of repeat findings	Nil	-	N/A	N/A	Nil	Nil	
Development Priority: Good governance and Public Participation									
Annual review and development of IDP/Budget	Enhancing systems for integrated planning and implementation	% progress of IDP review	100% progress of IDP review	50 000	IDP process plan drafted	District plan incorporate (50%)	Submitted DRAFT IDP for Council approval = 70%	Published advert for IDP all wards consulted on IDP/budget IDP submitted for council approval (100)	All

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
To enhance Council oversight	Monitoring section 79 and 80 committees	Number of resolutions executed (Council, EXCO and MPAC)	All resolutions of Council as per Council minutes	-	All resolutions of Council implemented	-			
			All resolutions of EXCO executed as per EXCO minutes	-	All resolutions of EXCO executed as per EXCO minutes	All resolutions of EXCO executed as per EXCO minutes	All resolutions of EXCO executed as per EXCO minutes	All resolutions of EXCO executed as per EXCO minutes	
			All MPAC resolutions addressed	-	All MPAC resolutions addressed				
		Number of MPAC meetings held	4 MPAC meetings held		1 MPAC meeting held				
To ensure effective communication and enhanced	Implementation of the Communication Strategy	Number of stakeholder engagement plans executed	2 staff briefing sessions held	-	1 quarterly staff briefing session				

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
municipal image		as per communication strategy	4 community outreach awareness campaigns	-	2 community outreach awareness campaign	2 community outreach awareness campaign	2 community outreach awareness campaign	2 community outreach awareness campaign	
Continuously ensure good customer care for SRVM's stakeholders.	customer care	% of complaints captured and resolved	80% of all complaints captured resolved	-	80% of all complaints captured resolved	80% of all complaints captured resolved	80% of all complaints captured resolved	80% of all complaints captured resolved	
Representation, participation and inclusion of the vulnerable groups in the municipal agenda,	Implementation of vulnerable groups mainstreaming policy	Number of vulnerable groups initiative per category (Disabled, Youth, Elderly, Women, Children)	2 initiatives aimed at youth	-	N/A	1 youth initiative	N/A	1 youth initiative	
			2 initiatives for the elderly		N/A	1 initiative for the benefit of the elderly completed.	N/A	1 initiative for the elderly completed.	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
workforce and relevant decision making structures.			2 initiatives for women		N/A	1 initiative for the benefit of women conducted.	N/A	1 initiative for the benefit of women conducted	
			2 initiative for Disabled		N/A	1 initiative for the benefit of the disabled conducted.	N/A	1 Initiative for the benefit of the disabled conducted.	
			2 initiatives for Children		N/A	1 initiative for the benefit of children conducted	N/A	1 initiative for the benefit of children conducted	
An effective performance management system compliant with Chapter 6 of the MSA	Performance Management	# of signed performance agreements	5 performance agreements signed	50 000	5 performance agreements signed	N/A	5 performance agreements reviewed and signed	N/A	-
		# of performance assessments	All section 56 managers including		All section 56 managers assessed	All section 56 managers including	All section 56 managers assessed by	All section 56 managers including the Municipal	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
		conducted for all section 56 managers	the Municipal manager assessed quarterly		by the Municipal manager	the Municipal manager assessed by the Performance Review Panel	the Municipal manager	manager assessed by the Performance Review Panel	
		Positive audit opinion Baseline: Disclaimer	Unqualified audit opinion		Portfolio of evidence files up-to-date and compliant	Portfolio of evidence files up-to-date and compliant	Portfolio of evidence files up-to-date and compliant	Portfolio of evidence files up-to-date and compliant	
Development Priority: Local Economic Development									
To provide and invest in the economic infrastructure development in all wards by 2017	Grant expenditure	% expenditure on LED grant	100% expenditure on LED grant	-	20%	40%	60% expenditure on LED grant	100% expenditure on LED grant	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
To strengthen the institutional capacity of SMMEs and Increase the number of viable emerging businesses	SMME development	# of development initiatives conducted	4 development initiatives conducted	50 000	2 initiatives conducted	2 initiatives conducted	2 initiatives conducted	2 initiatives conducted	
Development Priority: Community & Social Services									
Communities have sufficient and affordable solid waste disposal options to encourage clean and healthy environment	Clean up campaigns in targeted areas	# of clean up campaigns conducted	2 campaigns conducted	-	One clean- up campaign	One clean- up campaign	One clean-up campaign	One clean-up campaign	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31st March 2015	Quarter 4 Target 30th June 2014	Ward
To ensure provision of water quality monitoring and food control	Regular water and food quality testing	# of water samples tested	144 samples	-	36 water samples tested				
		# of formal food selling premises evaluated.	40 formal food businesses evaluated	-	20 business premises evaluated				
To ensure the provision of effective and efficient fire and disaster management services throughout the SRVM	Awareness campaigns	# of fire awareness campaigns conducted	6 fire awareness campaigns	-	3 campaigns	3 campaigns	3 campaigns	3 campaigns	
	Functionality of the DMF	% resolutions implemented by DMF	100% implementation of resolutions	-	100% resolutions implemented/or otherwise escalated				
	Inspections for fire safety	# of premises inspected for fire safety compliance	100 premises inspected for fire safety compliance	-	25 premises inspected	25 premises inspected	25 premises inspected	25 premises inspected	
To ensure provision of traffic services	Traffic safety	Number of road traffic law enforcement	12 road traffic law enforcement		3 road traffic law enforcement	3 road traffic law enforcement	3 road traffic law enforcement	3 road traffic law enforcement operations	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
including improved revenue enhancement		nt operations conducted	operations conducted		operations conducted	operations conducted	operations conducted	conducted	
	Revenue collection	% improvement in traffic fines revenue	5 % improvement	-	2.5% improvement in traffic revenue from the baseline	2.5% improvement in traffic revenue from the baseline	2.5% improvement in traffic revenue from the baseline	2.5% improvement in traffic revenue from the baseline	
	Revenue collection	% of traffic fines debt collection	25% collected of old traffic fines debt as at 1 July 2014	-	N/A	N/A	75% of annual target collected	100% of annual target collected	
	Revenue collection	% of traffic fines debt collection	40% collection of newly transferred traffic debt as of 1 July 2015	-	N/A	N/A	75% of annual target	100% of annual target	
Communities of SRVM with specific reference		% progress in upgrading of sport fields	100% completion of phase 3		N/A	N/A	75% of upgrading	100% of upgrading	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
to youth have access to suitable and affordable recreational and sport facilities and public amenities.	Cemeteries	# of cemeteries cleaned	6 cemeteries cleaned		1 cemetery cleaned	2 cemeteries cleaned	2 cemetery cleaned	1 cemetery cleaned	
		% progress in procuring burial register	100% completion in procurement of burial register		N/A	N/A	funds lobbied through adjustment budget (35%)	100% completion in procurement of burial register (50%)	
	Library outreach	# of library outreach programmes conducted	8		2	2	2	2	
	Sports and recreation	# of sporting and recreational activities conducted	8		2 activities	2 activities	2 activities	2 activities	
Resource mobilization	Multipurpose centre	% progress in the construction of the Multi-purpose thusong centre	Commitment letters stating the committed budgets and time frames	-	N/A	N/A	N/A	Commitment letters stating the committed budgets and time frames	

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
	Emergency centre	% progress on the Paterson integrated emergency centre	Commitment letter stating the committed budgets and time frames.	-	N/A	N/A	N/A	Commitment letter stating the committed budgets and time frames	
Development Priority: Financial Viability and Management									
To produce financial reports that meet the requirements of the National Treasury Department	Compliance with grant conditions (FMG)	% expenditure on each conditional grant against allocation	Between 95% and 100%	-	Between 95% and 100%	Between 95% and 100%	Between 95% and 100%	Between 95% and 100%	-
	Effecting budgeting process	Timely submission of annual and midyear budget	Annual budget submitted within prescribed timeframe – Midyear budget submitted within prescribed timeframe	-	N/A	N/A	Midyear budget submitted (30 January)	Annual budget submitted	-

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
	Actuals, Budgets and Variances accurately reported	% margin of error	Less than 5%		Margin of error less than 5%				
	Effective in-year statutory reporting	Timely submission of reports	12 timely Section 71 report submitted within 10 days of each new month	-	Three (3)timely section 71 reports	-			
			4 timely section 52d reports submitted within 30 days of each new quarter		Section 52d report submitted within 30 days of the new quarter	Section 52d report submitted within 30 days of the new quarter	Section 52d report submitted within 30 days of the new quarter	Section 52d report submitted within 30 days of the new quarter	-
			Timely submission of section 72 report	-	N/A	N/A	Timely submission of section 72 report	N/A	
To unsure a sustainable cash flow	Cash management	Number of days creditors	To 60 days	-	60 days	60 days	60 days	60 days	-

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
		outstanding							
To ensure debt is managed sustainably	Revenue collection enhanced	% increase in revenue collected	25% increase from previous years' collected revenue.	-	25%	25%	25%	25%	-
	Indigent registration	Number of indigents registered	3200	-	800	800	800	800	-
To ensure proper procurement of goods and services in terms of chapter 11 of the MFMA.	Supply chain management	% reduction in deviations	Deviations constitute not more than 20% of all transactions	-	Deviations constitute not more than 20% of all transactions	Deviations constitute not more than 20% of all transactions	Deviations constitute not more than 20% of all transactions	Deviations constitute not more than 20% of all transactions	-
	Irregular, fruitless, unauthorised and wasteful expenditure curbed	% Irregular expenditure reduced	Irregular expenditure reduced by 80% relative to the previous year	-	Irregular expenditure reduced by 80% relative to the previous year	Irregular expenditure reduced by 80% relative to the previous year	Irregular expenditure reduced by 80% relative to the previous year	Irregular expenditure reduced by 80% relative to the previous year	-

Objective	Key Priority Area	Key Performance Indicator	Annual Target	Budgeted Amount	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target 31 st March 2015	Quarter 4 Target 30 th June 2014	Ward
					year	year			
		fruitless, wasteful and unauthorised expenditure reduced	Reduced to zero	-	Reduced to zero	Reduced to zero	Reduced to zero	Reduced to zero	-